



KNYSNA
Municipality
Munisipaliteit
uMasipala

Draft

Annual Performance Report 30 June 2014

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Abbreviations

LIST OF ABBREVIATIONS

A	Amp
AADD	Annual Average Daily Demand
ABS	Access to Basic Services
AG	Auditor-General
AIDS	Acquired Immune Deficiency Syndrome
AQMP	Air Quality Management Plan
ART	Anti-Retroviral Treatment
ARV	Antiretroviral
BESP	Built Environment Support Programme
BNG	Breaking New Ground
C.A.P.E	Cape Action for People and Environment
CBA	Critical Biodiversity Area
CBD	Central Business District
CESA	Critical Ecological Support Areas
CFO	Chief Financial Officer
ComAF	Communication on Audit Finding
CRDP	Comprehensive Rural Development Programme
CRR	Capital Replacement Reserve
CSIR	Council for Scientific and Industrial Research
CV	Curriculum Vitae
DEADP	Department of Environmental Affairs and Development Planning
DECAS	Department of Cultural Affairs and Sport
DM	District Municipality
DMP	Disaster Management Plan
DoRA	Division of Revenue Act
DWA	Department of Water Affairs
ED	Economic Development
EDM	Eden District Municipality
EPMDS	Employee Performance Management and Development. System
EPWP	Expanded Public Works Programme
FLISP	Finance-Linked Individual Subsidy Programme
FIFA	Fédération Internationale de Football Association
FMG	Financial Management Grant
FSP	Fine-Scale Biodiversity Planning
GDP	Gross Domestic Product
GIS	Geographic Information System
GKMA	Greater Knysna Municipal Area
HIV	Human Immunodeficiency Virus
HR	Human Resources
HRVA	Hazard, Risk and Vulnerability Assessment
HSP	Human Settlement Plan
ICT	Information Communication Technology
IDP	Integrated Development Plan
IGT	Intergovernmental Transfers

ISBN	International Standard Book Number
ISDF	Integrated Strategic Development Framework
IT	Information Technology
ITP	Integrated Transport Plan
IWMP	The Integrated Waste Management Plan
JOC	Joint Operations Centre
Kl	Kilolitre (1,000 litres)
Km	Kilometres
KPI	Key Performance Indicator
kV	Kilovolts (1,000 volts)
kWh	Kilowatt-hour
LASP	Local Area Structure Plan
LED	Local Economic Development
LUPO	Land Use Planning Ordinance
m	metre
MEC	Member of Executive Council
MFMA	Municipal Finance Management Act (Act No. 56 of 2003)
MIG	Municipal Infrastructure Grant
MM	Municipal Manager
MPAC	Municipal Public Accounts Committee
MPRA	Municipal Property Rates Act
MSA	Municipal Systems Act
MTREF	Medium Term Revenue and Expenditure Framework
MVA	Million Volt-Amperes
N and NE	North and North East
N2	National Route no. 2
NDPG	Neighbourhood Development Partnership Grant
NERSA	National Energy Regulator of South Africa
NGO	Non-Governmental Organisation
NMT	Non-Motorised Transport
OAK	One-of-A-Kind
OHS	Occupational Health and Safety
OPCAR	Operation Clean Audit Report
PAA	Public Audit Act (Act No. 25 of 2004)
PDP	Personal Development Plans
PGWC	Provincial Government Western Cape
PI	Performance Indicator
PMS	Performance Management System
PMS	Pavement Management System
PMU	Project Management Unit
PR	Proportional Representation
PSDF	Provincial Spatial Development Framework
RBAP	Risk Based Audit Plan
RMC	Risk Management Committee
ROD	Record of Decision-making

Tables

QAIP	Quality Assurance and Improvement Programme
SALGBC	South African Local Government Bargaining Council
SALGA	South African Local Government Organisation
SAMSA	South African Maritime Safety Authority
SANDF	South African National Defence Force
SANParks	South African National Parks
SANRAL	South African National Roads Agency Limited
SANS	South African National Standard
SAPS	South African Police Service
SCM	Supply Chain Management
SDBIP	Service Delivery and Budget Implementation Plan
SDA	Skills Development Act
SDF	Spatial Development Framework
SEA	Strategic Environmental Assessment
SMART	Specific Measurable Achievable Relevant Time-bound
SMME	Small, Medium and Micro Enterprise

SOP	Standard Operation Procedure
SPLUMA	Spatial Planning and Land Use Management Act, 2013 (Act No. 16 of 2013)
SS	Sub Station
STATSSA	Statistics South Africa
SWOT	Strengths, Weaknesses, Opportunities, Threats
TB	Tuberculosis
TMT	Top Management Team (Municipal Manager and Directors)
TSiBA	Tertiary School in Business Administration
TSP	Traffic Safety Plan
USIP	Upgrading of Informal Settlements Programme
WCPSDF	Western Cape Provincial Spatial Development Framework
WSDP	Water and Sewer Master Plan
WSP	Workplace Skills Plan
WTW	Water Treatment Work
WWTW	Waste Water Treatment Works

Chapter 1

CHAPTER 1 - MAYOR'S FOREWORD AND EXECUTIVE SUMMARY

To be completed as part of the final draft Annual Report Process which can only be concluded upon completion of the Auditor General's Report.

Chapter 2

CHAPTER 2 – GOVERNANCE

To be completed as part of the final draft Annual Report Process which can only be concluded upon completion of the Auditor General's Report.

Chapter 3

CHAPTER 3 – SERVICE DELIVERY PERFORMANCE (PERFORMANCE REPORT PART I)

INTRODUCTION

Performance management is a process which measures the implementation of the organisation's strategy, as set by Council, and targets, as developed as part of a public participation process. It is also a management tool monitor the impact of service delivery by the Municipality.

At local government level performance management is institutionalised through the legislative requirements, most notably the Municipal Systems Act and related Regulations. The system is used to plan, measure and review individual performance indicators. Thus performance management provides the mechanism to measure whether targets and strategic goals are met, as set by and for the organisation and its employees.

The Performance Management System implemented at Knysna Municipality is intended to provide a comprehensive, step by step planning system that helps the municipality to manage the process of performance planning and measurement effectively. The PMS serves as primary mechanism to monitor, review and improve the implementation of the municipal IDP and eventually the budget.

The performance management policy framework as approved by Council provides for performance implementation, monitoring and evaluation at organisational as well as individual levels.

The role and impact of the Performance Management Framework of the Municipality is reflected in the diagram below:

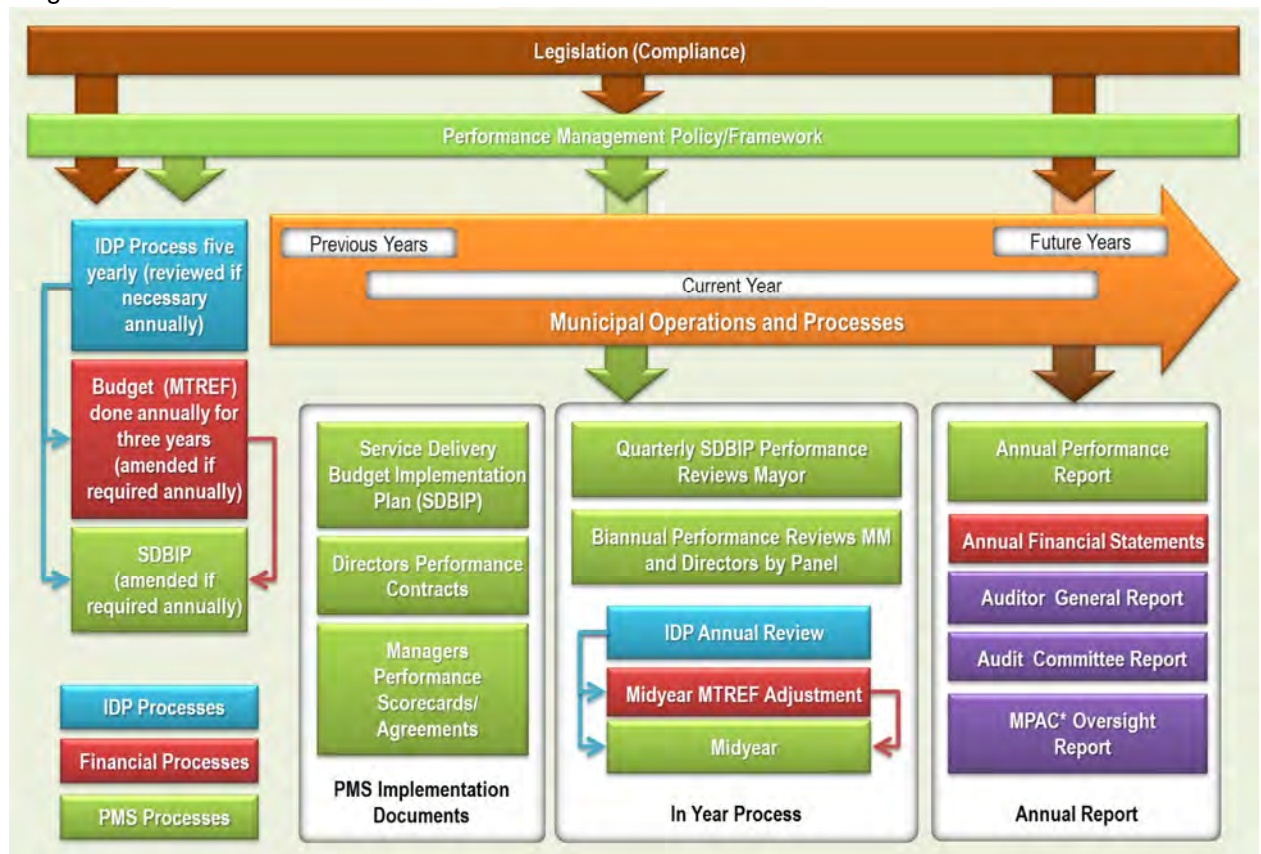


Figure 1: Performance Management system

Chapter 3

Performance Management Policy Framework

The policy framework approved by Council prescribes the methodology that the municipality implemented to measure the overall performance of the municipality.

Response Required	Municipal Action	Progress	Timeframe
Roll-out of performance management to be effective on all levels	Performance reporting	Performance reporting to <ul style="list-style-type: none"> • Municipal Manager • Council • Annual Performance Report 	Monthly Quarterly Annually
	Implement performance on all appropriate staff levels by 2017	Individual performance management system up to the second line of managers is currently being implemented	2014-2017
	Implement performance for service providers by 2017	The performance of Service Providers is currently being reported to the Municipal Manager by SCM and the respective directors on a monthly basis	2014-2017

Table 1: Implementation of Performance Management System

Organisational Level

The organisational performance of the municipality is evaluated by means of a municipal scorecard (Top Layer SDBIP) at organisational level and through the service delivery budget implementation plan (SDBIP) at directorate and departmental levels. The Top Layer SDBIP set out consolidated service delivery targets and provides an overall picture of performance for the municipality as a whole, reflecting performance on its strategic priorities as determined by the IDP review process.

Service Delivery Budget Implementation Plan (SDBIP)

The SDBIP is a plan that converts the IDP and budget into measurable criteria on how, where and when the strategies, objectives and business processes of the Municipality are implemented. It also allocates responsibility to directorates and officials to deliver the services in terms of the IDP and budget.

The top-level SDBIP sets out the top-level performance indicators developed to attain Council's strategic objectives as set out in the IDP.

SO#	Strategic Objective	PR#	Priority
1	To promote access for all citizens to equitable, appropriate and sustainable infrastructure and services within a safe environment	1	Sanitation
		2	Electricity
		3	Streets and storm water management
		4	Water supply
		5	Disaster management
		6	Housing development
2	To ensure ecological integrity through sustainable practices of municipal governance	7	Environmental and Waste management
3	To create an enabling environment for economic growth that attracts investors, encourages innovation and facilitate pro-poor interventions	8	Decent employment and job creation
		9	Rural Development
4	To facilitate real opportunities for youth, women, and disabled and appropriate care for the aged.	10	Education, youth and development, vulnerable groups
		11	Health and HIV/AIDS

Chapter 3

SO#	Strategic Objective	PR#	Priority
5	To ensure a municipality that is committed to an innovative approach, prudent investment of public funds, good governance, financial viability and optimal institutional transformation that accommodates diversity in service delivery	12	Sound Financial Planning
		13	Institutional capacity building
6	To develop progressive strategies to optimise the use of available human resources	14	Skills development and Education
7	To establish a common vision and create coherence in government's work by seeking close partnerships with citizenry.	15	Ward committees and communication
		16	Responsive, accountable, effective and efficient municipal system

Table 2: Municipal Strategic Objectives (IDP)

Performance Indicators (PI's)

Section 38 (a) of the Systems Act requires Municipalities to set appropriate key performance indicators as a yardstick for measuring performance, including outcomes and impact, with regard to the community development priorities and objectives set out in its Integrated Development Plan. Section 9 (1) of the Regulations to this Act maintains in this regard, that a Municipality must set performance indicators, including input indicators, output indicators and outcome indicators in respect of each of the development priorities and objectives.

Every year, as required by Section 12 (1) of the Regulations to the Systems Act, the Municipality also set performance targets for each of the key performance indicators. The IDP process and the performance management process are therefore seamlessly integrated

Annual Report

The Annual Performance Report and Financial Statements provide the basis for the Annual Report. Therefore the Oversight Report as adopted by Council for the prior reporting period is taken into consideration during the drafting of the Annual Performance Report.

COMPONENT A: BASIC SERVICES

This component includes: water; waste water (sanitation); electricity; waste management; and housing services; and a summary of free basic services.

INTRODUCTION

The Knysna Municipality has increased the access to basic services considerably over the last ten years.

- 76% of households have access to flushed toilets which are connected to the municipal sewerage system.
- 93% of households refuse is removed weekly Knysna Municipality.
- 67% of households have access to piped water inside their dwellings.
- 89% of households have access to electricity for lighting.

Chapter 3

3.1. WATER PROVISION

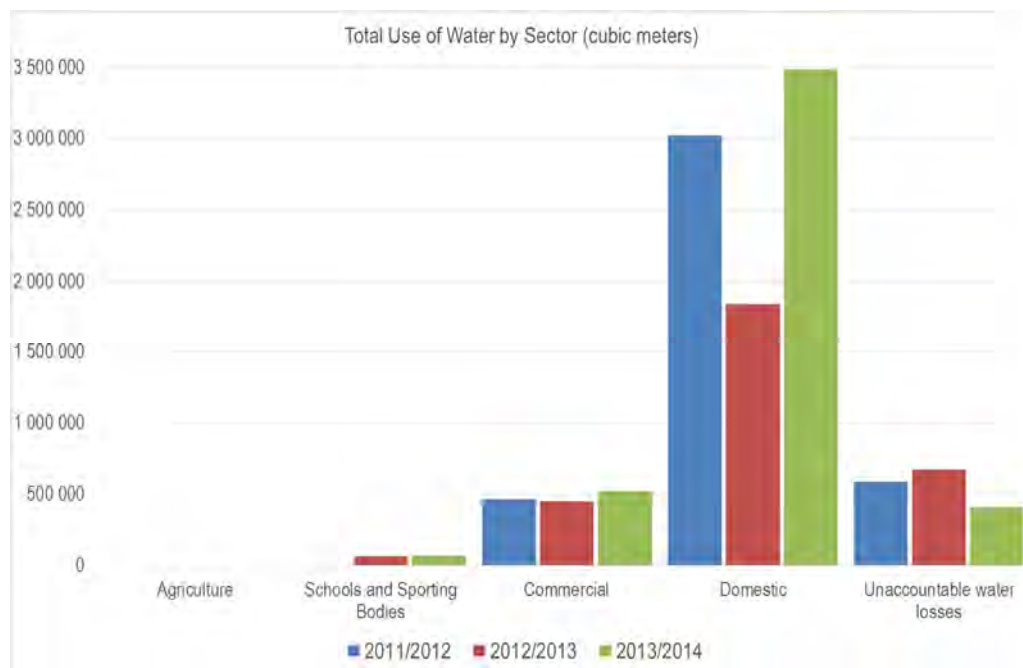
INTRODUCTION TO WATER PROVISION

Knysna Municipality is an accredited Water Services Authority in terms of the National Water Act (Act 36 of 1998) and provides potable water to all the towns and settlements in its area of jurisdiction. It provides a comprehensive water provision service from source to tap since none of the water functions are currently being outsourced. Knysna Municipality has a total number of ten water schemes under its area of jurisdiction and applies innovative technologies which include from osmosis, boreholes and surface water schemes. These systems ensure a high quality of drinking water to all residents. Water is supplied to all formal households, businesses, neighbouring farms and approximately 5 706 households in the informal settlements currently receive water via communal standpipes. The quality of the drinking water supply in the Greater Knysna Municipal Area is tested weekly by the Eden District Municipality and the quality is constantly above the national norms. Council has received Blue Drop Status for the Karatara Water Treatment Works and continuously strives to improve on water quality.

Domestic users are still the main user of water in the area, followed by the industrial sector and lastly agriculture. Household usage normally peaks in the holiday season during December – February when the holiday houses are usually 100% occupied. The table below illustrate the water usage per sector for the past financial years:

Total Use of Water by Sector (cubic meters)					
	Agriculture	Schools and Sporting Bodies	Commercial	Domestic	Unaccountable water losses
2011/2012	5 651	-	464 988	3 022 145	587 567
2012/2013	5 717	64 440	451 122	1 841 706	673 004
2013/2014	3 635	67 284	519 643	3 486 127	407 972

Table 3: Total Use of Water by Sector (cubic meters)



Graph 1: Use of Water by Sector

Knysna Municipality faces numerous challenges in terms of sustainable provision of water which put significant pressure on the limited water resources available. Some of those challenges include the drought that hit the area a couple of years ago as well as continuous water losses. Over the past years the water

Chapter 3

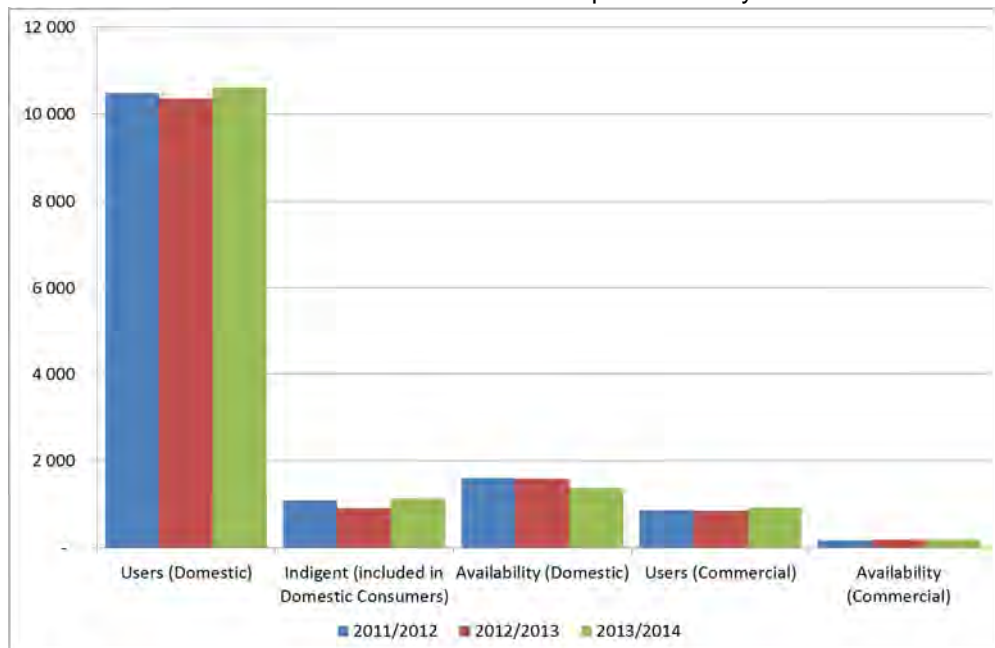
supply available has been limited at times and it was deemed necessary to implement water demand management initiatives to ensure a sustainable supply of water for the future. Two of these initiatives were the implementation of water restrictions in both Sedgefield and Knysna, and special water tariffs dependent upon levels of consumption. Water losses have stayed relatively consistent over the past two financial years with a loss of 9.52% in 2012/13 versus a loss of 18.40% in 2012/2013. The department should start intensifying its water demand and conservation management strategy to reduce the water losses even more.

The census 2011 report indicates that 67% of households are estimated to have piped water inside their dwellings which is a significant improvement on the 52% recorded in 2001. It is concerning that 16% of households still had piped water on a community stand more than 200m from their home. The Census 2011 report also indicated that 14% of households had piped water on a community stand less than 200m from their home, while 13% had access to piped water inside their yard. The roll-out of the Access to Basic Services programme will improve the accessibility to quality water to households with the installation of an number of communal taps in all the informal settlements in the Greater Knysna Municipal Area since 2010.

Water Service Delivery Levels				User Access
Description	2011/2012	2012/2013	2013/2014	Change
	Actual	Actual	Actual	
<u>Water:</u>				
Domestic	13 173	12 865	13 121	2%
Users	10 480	10 350	10 606	2%
Indigent	1 091	917	1 136	24%
Availability	1 602	1 598	379	(14%)
Commercial	1 044	1 043	1 115	7%
Users	865	853	925	8%
Availability	179	190	190	0%
Total number of users	14 217	13 908	14 236	2%

Table 4: Water Service Delivery Levels

Figures contained in the table are extracted from the municipal finance system.



Graph 2: Water Service Delivery Levels

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Water Service Policy Objectives Taken From IDP											
Service Indicators	Outline Service Targets	Unit of Measurement	2011/2012		2012/2013		2013/2014		2014/2015	2015/2016	2016/2017
			Target	Actual	Target	Actual	Target	Actual	Target		
Limit water unaccounted for	This indicator measures unaccounted for water which represents the difference between "net production" (the volume of water delivered into the water network) and "consumption" (the volume of water that can be accounted for by legitimate consumption including the indigent consumption.) The reason for the high target due the shortfall of funds for infrastructure refurbishment.	Percentage	25	18	27	18.4	25	9.52	20	20	20
The number of single residential properties with access to basic level of water.	The indicator reflects the number of residential properties connected to the municipal water infrastructure network for credit Meters	Number	-	10 480	10 560	10 350	10 660	10 606	10 370	10 390	10 410
Produce class 0 quality drinking water	Percentage of test that comply to with SANS (South African National Standard) 241 standards "SANS 241 specifies the quality of acceptable drinking water, defined in terms of microbiological, physical, aesthetic and chemical determinants, at the point of delivery." - ISBN 978-0-626-26115-3 This indicator measures the total of percentage achieved by all water treatment works in the Greater Knysna area.	Percentage	-	-	90	97	90	98	90	90	90
Annual review of the Water and Sewer Master-Plan	The Water and Sewer Master-Plan is approved by Council every five years (2010 current approval) and reviewed annually. The plan assists the Municipality to fulfil its obligation to ensure to ensure sustainable access to clean and affordable water to all citizens in its area of jurisdiction. The WSDP must also incorporate Water and Sewer Master-Plan.	Number	-	-	-	-	1	1	1	1	1

Table 5: Water Service Policy Objectives Taken From IDP

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Employees: Water Services						
Job Level	2011/2012	2012/2013	2013/2014			
	Employees	Employees	Posts	Employees	Vacancies (fulltime equivalents)	Vacancies (as a % of total posts)
19 - 20	0	0	0	0	0	0%
16 - 18	0	0	0	0	0	0%
13 - 15	0	0	0	0	0	0%
10 - 12	6	6	7	6	1	14%
7 - 9	8	8	8	7	1	13%
4 - 6	16	16	19	17	2	11%
0 - 3	30	28	31	26	5	16%
Total	60	58	65	56	9	14%

Table 6: Employees: Water Services

Financial Performance Year 2013/2014: Water Services						
R'000						
Details	2011/2012	2012/2013	2013/2014			
	Actual	Actual	Original Budget	Adjustment Budget	Actual	Variance to Budget
Total Operational Revenue	50 357	60 212	66 685	66 685	65 385	(2)%
Expenditure:						
Employees	11 031	11 390	12 240	11 492	12 919	6 %
Repairs and Maintenance	3 514	3 165	4 113	3 317	3 731	(9)%
Other	36 789	38 896	22 851	23 459	27 062	18 %
Total Operational Expenditure	51 334	53 451	39 204	38 269	43 712	11 %
Net Operational Expenditure	977	(6 761)	(27 481)	(28 416)	(21 674)	(21)%

Table 7: Financial Performance Year 2013/2014: Water Services

Capital Expenditure						
R' 000						
Projects	Budget	Adjustment Budget	Actual Expenditure	Variance from original budget	Variance from Adjusted budget	Total Project Value (2013/14 - 2015 /16)
Total All	13 603	12 593	12 136	(11%)	(4%)	48 414
North and North East Bulk Water Phase III	4 956	4 956	4 712	(5%)	(5%)	16 233
Rheenendal New Water Augmentation	2 632	2 632	2 632	(0%)	(0%)	9 891
Charlesford Pumping Scheme	2 193	2 193	2 176	(1%)	(1%)	12 697
Ancillary Sedgefield Water Treatment Works (Cloud 9 pipeline)	1 467	1 467	1 532	4%	4%	4 436
Total of sundry projects	2 355	1 345	1 084	(54%)	(19%)	5 157

Table 8: Capital Expenditure: Water Services

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Overall Water Services Performance

The water services section performed satisfactorily during the financial year, but can improve if they work more efficiently. The department was faced with challenges and in certain instances failed to achieve certain standards and thus the department did not receive Blue Drop for all the water plants. Furthermore certain projects could not be completed due to a lack of funding and the failure of National and Provincial departments to process matters expeditiously. The final challenge relates to the acquisition and retention of the necessary skilled personnel to assist in the implementation of projects, as well as on-going management of the service.

3.2 WASTE WATER (SANITATION) PROVISION

To give effect to the strategic objective of Knysna Municipality to provide infrastructure for basic services and ensure a safe and healthy environment, Council has made considerable investment in its infrastructure development programme. That is why good sanitation services exist in the municipal area where the majority of the residential areas have waterborne sanitation. However, some areas still rely on septic tanks, notably Leisure Island and Sedgfield. The servicing of septic tanks becomes increasingly demanding during the peak holiday season when most of the holiday homes are occupied and require more frequent emptying.

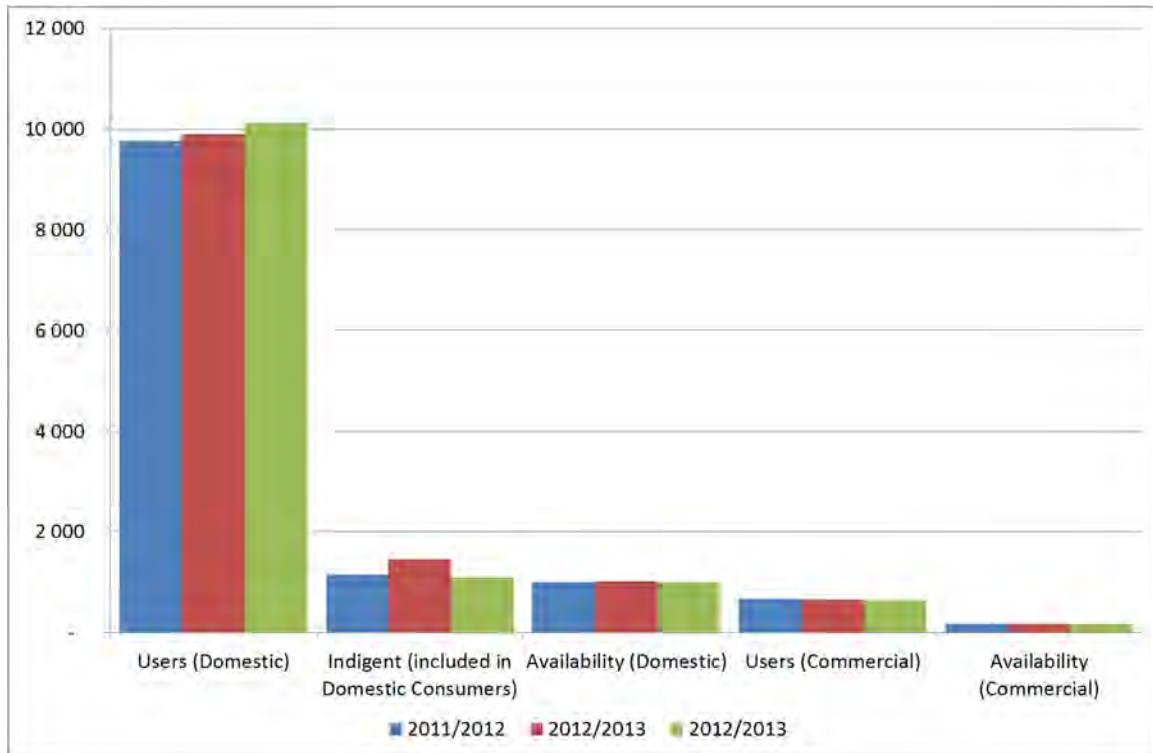
The municipality does have adequate capacity and resources available to cope with such demand. More than 76 % of households in the urban area had access to flush toilets, septic tanks or chemical toilets in 2011. This figure can certainly improve to eradicate the backlogs and provide equal access to basic sanitation services to all households in the GKMA if more funding can be secured from national and provincial government in this regard.

Waste Water (Sanitation) Service Delivery Levels				User Access
Description	2011/2012 Actual	2012/2013 Actual	2012/2013 Actual	Change
<u>Waste Water (Sanitation):</u>				
Domestic	11 922	12 370	12 212	(1%)
Users	9 774	9 905	10 125	2%
Indigent	1 150	1 454	1 091	(25%)
Availability	998	1 011	996	(1%)
Commercial	838	836	818	(2%)
Users	668	655	647	(1%)
Availability	170	181	171	(6%)
Total number of users	12 760	13 206	13 030	(1%)

Table 9: Sanitation Service Delivery Levels

Figures contained in the table are extracted from the municipal finance system.

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Graph 3: Sanitation Service Delivery Levels

During November 2011, the provincial Department of Human Settlements, in collaboration with the Municipality, compiled an Informal Settlement Database in terms of access to basic services which included water and sanitation. A survey was conducted to identify informal settlements where the minimum requirements of 5 households per sanitation facility and 25 families per water tap were not met, and a budget to remedy this situation was allocated accordingly. The Access to Basic Services has improved the accessibility to sanitation in all informal settlements in the GKMA.

Knysna Municipality places a high priority on sanitation services and one of the Municipality's greatest challenges regarding sanitation is to expand the infrastructure to meet future development requirements. The Council realises that the achievement of its strategic objectives relies heavily on the establishment of proper infrastructure for basic service delivery and the maintenance thereof. None of the existing seven waste water treatment works in the GKMA has Green Drop Status and the municipality is continuously improving on its efforts to achieve Green Drop Status for its major systems. The functioning of the Knysna waste water treatment works was of critical concern given its proximity to the estuary and the aged infrastructure. A major upgrade and refurbishment of the Knysna waste water treatment works is now complete and will allow additional capacity to the sewerage works. This will certainly unlock business development potential, attract investment to the area and facilitate the implementation of residential development. A proper final effluent quality control programme is functional to minimise the risk of pollution of the estuary and ground water sources. The outflow from the plant is monitored by the Eden District Municipality, and this monitoring includes monitoring several sites in the Knysna estuary.

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WATER AND SANITATION

The Water Services Development Plan (WSDP) for Knysna Municipality was approved by Council in December 2010; they will assist the municipality to fulfill its obligation to ensure sustainable access to clean and affordable water to all citizens in its area of jurisdiction. The WSDP must also incorporate Water and Sanitation Master Plans. As an accredited Water Service Authority, the municipality always aspires to achieve the following goals:

- Delivery of sustainable water services;
- Integrated water resource management; and
- Efficient and effective water services institutional arrangements.

The table below provides a short summary of the objectives of the Water and Sewer Master Plans:

Water Master Plan	Sanitation Master Plan
<ul style="list-style-type: none"> • Updating of the existing bulk water system information; • Investigation of future water demands; • Modeling of the existing bulk water system; • Investigation of future bulk infrastructure requirements; and • Determining the capital requirements based on the different development scenarios. • Eradicating the backlogs by providing access to quality drinking water to all communities 	<ul style="list-style-type: none"> • Updating of the existing bulk sewer system information; • Investigation of future infrastructure requirements; • Modeling existing infrastructure for new developments; and • Determining the capital requirements. Providing sanitation services to all communities in the GKMA

Table 10: Summary of objectives for water master plan and sanitation master plan

The future water demand for Knysna Municipality in terms of Annual Average Daily Demand (AADD) can be summarized as follow:

District	AADD Existing (2005) KI	AADD 5 year (2010) KI	AADD 10 year (2015) KI	AADD 25 year (2030) KI
Platbos	Outside of new urban edge			3 813
Central	3 066	3 403	3 648	1 839
North	1 295	1 554	1 839	5 535
East	3 217	4 101	5 053	4 096
South East	2 011	3 158	3 718	15 283
Total Eastern Sector	9 589	12 216	14 257	15 283
Eastford	442	1 232	1 732	2 081
Welbedacht	144			
Welbedacht/Eastford		444	644	744
Knysna River West	Outside of new urban edge			
Belvidere	369	431	491	551
Brenton	547	832	1 117	1 387
Total Western Sector	1 502	2 939	3 984	4 763
Totals	11 091	15 155	18241	20 046

Table 11: Future water demand in kiloliters

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The response required for water and sanitation can be summarised as follows:

Service	Response Required	Municipal Action	Progress
Water	All areas under Knysna's jurisdiction have access to clean water	Planning to address the backlogs with MIG funding allocated	Phase 1 is currently underway to first determine the status quo
	Eradication of water provision backlogs	Backlogs addressed with roll out of housing program	Planning is done in conjunction with HSP
	Blue drop status	Improve institutional capacity as well as implementing effective maintenance and administration procedures at all systems Knysna Water Treatment Works missed the threshold for Blue Drop status with 0.04% Capital program at Rheenendal will address failures in the system	
	Operational and maintenance plan	Operational plans to be implemented within the available budget Investigate funding opportunities to address shortfalls	Continuous
	Water Services Development Plan	Review and updating of plan	Will be updated in the current financial year
	Water Master Planning	Review and updating of plan	Phase 1 will be completed in the current financial year
Sewerage (Waste Water)	Green drop status	Improve institutional capacity as well as implementing effective maintenance and administration procedures at all systems	Capital improvements currently underway at Knysna and Sedgefield Waste Water Treatment works
	Eradication of sanitation backlogs	Backlogs addressed with roll out of housing program	Planning is done in conjunction with HSP
	Knysna plants operating under strain and upgrading must occur	Future project	Submitted to 2013/2014 Capital Budget
	Sludge management must receive attention	On going	Contract has been concluded with a private farmer who utilises the sludge for fertiliser
	Sewer Master Plan	Review and updating of plan	Phase 1 will be completed in the current financial year

Table 12: Implementation of Water and Sanitation Master Plan

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Waste Water (Sanitation) Service Policy Objectives Taken From IDP											
Service Indicators	Outline Service Targets	Unit of Measurement	2011/2012		2012/2013		2013/2014		2014/2015	2015/2016	2016/2017
			Target	Actual	Target	Actual	Target	Actual	Target		
Implementation of the access to basic service programme	This indicator reflects the number of toilets provided in informal settlements during the period under review in terms of the ABS project. Certain toilets may however have been vandalised or removed after provision.	Number	180	154	700	549	-	-	-	-	-
Comply to standard set by DWA for waste water treatment	The Department of Water Affairs (DWA) has set special standards for waste water effluent that seeks to measure and maintain the quality of the effluent in order prevent pollution of the environment. The higher standards instigated the Waste Water Treatment Works (WWTW) upgraded.	Number	-	-	12	0	12	8	-	-	-
The number of single residential properties with access to basic level of sanitation.	The indicator reflects the number of residential properties that the Municipality is aware of connected to the municipal waste water (sanitation/sewerage) network irrespective of the number of water closets (toilets).	Number	-	9 774	10 440	9 905	10 450	11 216	9 930	9 950	9 970
Achieve Green Drop compliance for Knysna and Sedgefield WWTW	The Department of Water Affairs (DWA) has introduced a Green Drop certification programme for Waste Water Treatment Works (WWTWs). The Green Drop initiative has been implemented by DWA to ensure the progressive improvement of waste water treatment operations, so as to minimise the negative impact on the environment.	Number	-	-	-	-	-	-	-	1	1
Funding first phase CBD sewer reticulation	Submit a report to Council on the possible sources of funding for the financing of the first phase (Grey Street sewer line) sewer reticulation.	Number	-	-	-	-	-	-	1	-	-
Funding first phase Hornlee toilets	100% expenditure of budget allocation for the upgrading of Hornlee toilets as per the 2013 Hornlee Sewer Investigation Report	Percentage	-	-	-	-	-	-	100	-	-

Table 13: Waste Water (Sanitation) Service Policy Objectives Taken From IDP

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Employees: Sanitation Services						
Job Level	2011/2012	2012/2013	2013/2014			
	Employees	Employees	Posts	Employees	Vacancies (fulltime equivalents)	Vacancies (as a % of total posts)
19 - 20	0	0	0	0	0	0%
16 - 18	0	0	0	0	0	0%
13 - 15	0	0	0	0	0	0%
10 - 12	0	0	0	0	0	0%
7 - 9	4	4	3	3	0	0%
4 - 6	6	7	8	8	0	0%
0 - 3	22	24	26	23	3	12%
Total	32	35	37	34	3	8%

Table 14: Employees: Sanitation Services

Financial Performance Year 2013/2014: Sanitation Services						
R'000						
Details	2011/2012	2012/2013	2013/2014			
	Actual	Actual	Original Budget	Adjustment Budget	Actual	Variance to Budget
Total Operational Revenue	28 846	27 601	17 024	17 024	17 516	3 %
Expenditure:						
Employees	5 293	5 951	7 275	5 933	6 459	(11)%
Repairs and Maintenance	2 296	1 380	1 519	2 174	2 191	44 %
Other	20 888	17 971	7 585	7 635	14 090	86 %
Total Operational Expenditure	28 477	25 302	16 379	15 741	22 740	39 %
Net Operational Expenditure	(369)	(2 299)	(645)	(1 283)	5 224	(910)%

Table 15: Financial Performance Year 2013/2014: Sanitation Services

Capital Expenditure						
R' 000						
Projects	Original Budget	Adjustment Budget	Actual Expenditure	Variance from original budget	Variance from Adjusted budget	Total Project Value (2013/14 - 2015 /16)
Total All	1 350	2 391	2 071	53%	(13%)	8 184
Belvidere Waste Water Treatment Works	-	521	521	-	(0%)	521
Extension to Knysna Waste Water Treatment Works	-	400		-	(100%)	3 673
Buffalo Bay - Upgrade ablution facility	250	370	325	30%	(12%)	370
Provide Integrated Treatment Plant	300	300	299	(0%)	(0%)	300
Total of sundry projects	800	800	927	16%	16%	3 320

Table 16: Capital Expenditure: Sanitation Services

Overall Sanitation Services Performance

Based on the on the budget received and other resources the department performed satisfactorily considering the following:

- Critical shortage of human resources with requisite experience;

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- Insufficient funding to provide equal services to the whole community; and
- Old infrastructure resulting in effluent not to special standards.

3.3 ELECTRICITY

The provision of sustainable and affordable electrical services is one of the corner stones of any vibrant economy and Knysna Municipality is no exception. Currently the municipality has adequate capacity to deliver bulk electricity services for any current or future residential or commercial developments in the area. A constraint to the attraction future developments and investment is the affordability of electricity which might compromise the economic viability of intended development projects. ESKOM has applied to the National Energy Regulator of South Africa (NERSA) for a 16% increase annually for a period of 5 years. Fortunately NERSA considered the devastating effect it would have had on business in general and ordinary households and has approved a 7.5% tariff increase. The electricity tariffs of Knysna Municipality are well placed if compared with other leading authorities in the Western Cape Province and the free basic electricity only applies to electrification grant funded households. The gross average per unit cost of electricity for Knysna is 128c/kWh compared to Swellendam at 139c/kWh, Hessequa at 135c/kWh, Bitou at 152c/kWh. The major users of electricity are domestic users followed by businesses that are currently at 30% of total usage. This consequently can mainly be attributed to the decline in the local economy.

A minimum requirement for the electrification of residential areas is that formal planned township development must have taken place particularly in informal settlements. The municipality receives its funding for electrification projects from the National Department of Energy. The lead time for any funding applications to the Department of Energy is approximately two years and that is why ESKOM and the Electro-Technical Department of the municipality have to be involved in any planned developments to submit funding applications for electricity provision timeously.

Electricity is one of the major income generators for the municipality. Electricity and street lighting are provided to all formal households and electricity and street or high mast lights to most informal areas in the Greater Knysna region. 86% of households in Knysna Municipality have electricity available for lighting, while 9% used paraffin. Some areas do experience power outages (both planned and unplanned) but the frequency thereof is not outside of acceptable norms. The areas mostly affected by unplanned outages are the rural areas where overhead line systems are exposed to storms and lightning, as well as birds flying into lines and monkeys climbing up the electricity poles. ESKOM has once again introduced load shedding across the country because of limited capacity and technical difficulties experienced at its major power stations.

The mushrooming of informal settlements in areas such as Hlalani, Oupad, Edameni, Ethembeni, Gaatjie, Sizamile and Nekkies creates the continuous need for additional electrification capacity. The municipality has planned the following to address these needs:

- The municipality submitted formal applications to increase the intake at the Knysna Eastford and at the Sedgefield substations;
- Council also budgeted for counter funding for the electrification of a number of informal areas which are incorporated into designated township layouts. The bulk of this funding for this reticulation is from the Department of Energy ; and
- The Department has also committed itself to provide funds for the upgrading of the bulk infrastructure in the Northern Areas which are currently at capacity.

For a number of years Council had to apply strict conditions to land use and development applications due to the electricity consumption for the GKMA being at capacity. ESKOM is currently upgrading the line between Blanco, George and Bitou and also building a new 132 kV overhead line

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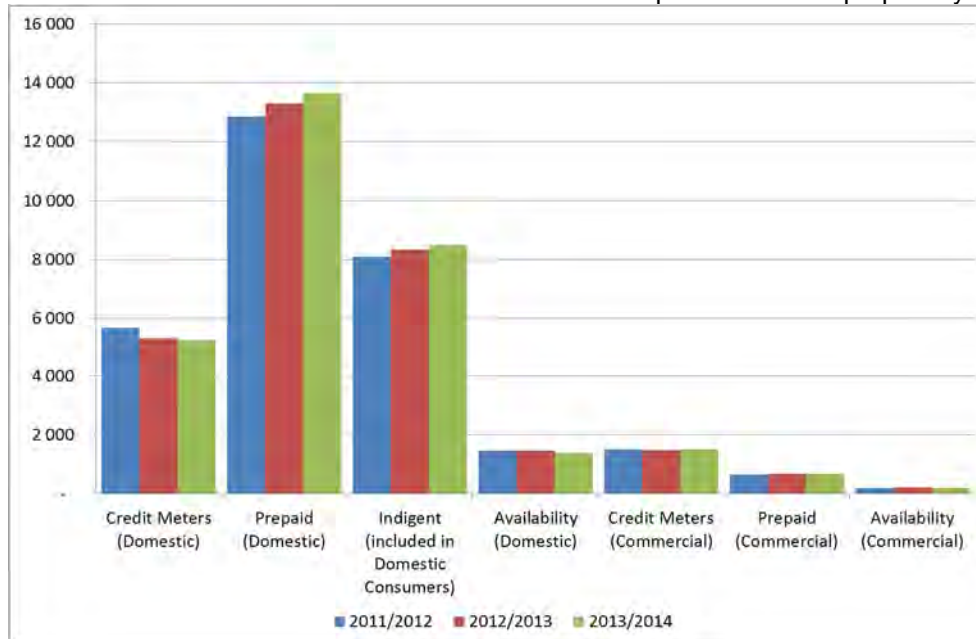
to Knysna which will free up considerable electricity capacity beyond 2014. This overhead line upgrade is near completion. Another challenge for Knysna Municipality is the loss of electricity due to a number of factors. Electricity distribution losses increased from 8.72% in 2011/2012 to 10.79% in 2012/2013. To minimise such losses all bulk meters have been inspected to ensure correct reading and a process of visiting all pre-paid meters is in process. Furthermore as part of council's revenue enhancement program the roll-out of pre-paid meters will be escalated to allow the municipality to load service arrears onto pre-paid systems to ensure customers pay for all municipal services.

The Council is investigating Waste to Energy opportunities in conjunction with the District Municipality. Council has also appointed service providers to roll-out water geysers to the impoverished areas and 150 installations were completed in the previous financial year. The project had to be suspended because ESKOM and the Department of Energy are currently reviewing their funding model in this regard.

Electricity Service Delivery Levels				User Access
Description	2011/2012	2012/2013	2013/2014	Change
	Actual	Actual	Actual	
<u>Electricity:</u>				
Domestic	19 926	20 013	20 231	1%
Credit Meters	5 644	5 286	5 224	(1%)
Prepaid	4 737	4 945	5 148	4%
Indigent	8 094	8 331	8 480	2%
Availability	1 451	1 451	1 379	(5%)
Commercial	2 332	2 342	2 360	1%
Credit Meters	1 506	1 482	1 493	1%
Prepaid	636	659	677	3%
Availability	190	201	190	(5%)
Total number of users	22 258	22 355	22 591	1%

Table 17: Electricity Service Delivery Levels

Figures contained in the table are extracted from the municipal finance and prepaid systems.



Graph 4: Electricity Service Delivery Levels

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Electricity Master Planning

The current Electricity Master Plan adopted is in the process of being reviewed to incorporate the actual changes to the networks. Knysna Municipality has been improving the electricity infrastructure by implementing a number of projects which include the following:

- Upgrading the electricity supply to the northern areas
 - the Xolweni SS (phase 1) has been build and equipped with new switchgear
 - a new Substation (phase 2) has been built at Bongani and has been equipped.
 - Phase 3 of rebuilding the line to Oupad and Dam se Bos
- A new 20MVA 66/11kV transformer is planned to be installed at Intake Substation to replace the existing 7.5MVA transformer – the planning is currently being done and equipment is being moved to accommodate the new transformer which will be installed in the 2015/16 financial year.

The electricity infrastructure in the Northern Areas is under strain as the Department of Energy normally only provides funding for electrification of houses but not for the upgrading of the infrastructure. We were fortunate to secure funding from the Department of Energy between 2011 and 2013 to the amount of R6 million which were utilised to upgrade the Qolweni substation which is situated in the Green Fields development as well as building a supply line to the Bongani area. All formalized areas have access to street lighting, as well as informal areas which are under the UISP housing programme. A Master Plan has been compiled for high mast lighting in the Northern Areas and a funding application has been submitted to MIG in this regard. A total of 9 high mast lights will be installed all over the GKMA where the need has been identified. This will have a significant impact in the safety situation of those areas.

The response required for electricity can be summarised as follows:

Response Required	Municipal Action	Progress	Timeframe
Backlogs and infrastructure upgrading	Electrification of Happy Rest and the Transfer site	Completed	2013/2014
	Building a supply line to the Bongani area	Completed	
	Master Planning for Knysna	Reviewed and updated.	
	Master Planning for Sedgfield	Reviewed and updated.	
	Capturing of network data for Knysna and Sedgfield	This is an on-going process as the electrical network grows continually.	
	Electrification planning for Happy Valley, Concordia East and Edameni extension	Planning and construction is completed. Consumers may apply for service connection.	
Ensuring reliable public lighting	Installation of high mast lighting	Funding has been secured for the installation of 9 x high mast lights	2014/2015
	Repairing and replacing of street lights where required		
Alternative energy sources	Installation of solar water heaters in low-income households	Waiting for Eskom and Department of Energy to review the future roll-out of this national programme	2014-2017
	Partnership with Eden District Municipality to explore alternative energy sources	On going	2014-2017
Operational and maintenance plan	Maintenance is done on an on-going basis within the constraints of the operational budget	On going	2014–2017

Table 18: Implementation of Electricity Master Plan

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Renewable Energy Sources

Knysna Municipality does not have a long term strategy to explore alternative energy sources, but it does promote and support private initiatives to explore the generation of energy through bio-gas and wind farms in the area. This aspect will be highlighted in the Climate Change Adaptation Strategy that will be developed as part of the brief for the development of the Integrated Strategic Development Framework.

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Electricity Service Policy Objectives Taken From IDP											
Service Indicators	Outline Service Targets	Unit of Measurement	2011/2012		2012/2013		2013/2014		2014/2015	2015/2016	2016/2017
			Target	Actual	Target	Actual	Target	Actual	Target		
Review of the Electricity Master-Plan for Knysna and Sedgefield	The objective of the Electricity Master-Plan for Knysna and Sedgefield is to provide the municipality with a clear assessment of the current state of the electrical infrastructure and the long-term plan for the required development to the network to support the envisaged demand growth in Knysna and Sedgefield.	Number	-	-	2	0	-	-	-	1	-
The number of single residential properties with access to basic level of electricity.	The number of single residential properties with access to basic level of electricity. Indicator Definition The indicator reflects the number of residential properties connected to the municipal electrical infrastructure network for both credit and prepaid metering.	Number	16 600	16 600	18 000	18 475	18 250	18 852	18 560	18 600	18 650
Submit report on alternative energy sources to Council	Investigate alternative energy supply opportunities for energy and submit report to Council.	Number	-	-	-	-	-	-	-	1	-
Installation of new electrical connections.	New electrical connections in Oupad, Nekkie East and Managed Land Site with funding from obtained from the Department of Energy.	Number	-	-	-	-	-	-	122	-	-

Table 19: Electricity Service Policy Objectives Taken From IDP

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Employees: Electricity Services						
Job Level	2011/2012	2012/2013	2013/2014			
	Employees	Employees	Posts	Employees	Vacancies (fulltime equivalents)	Vacancies (as a % of total posts)
19 - 20	0	0	0	0	0	0%
16 - 18	1	1	1	1	0	0%
13 - 15	0	0	0	0	0	0%
10 - 12	12	13	14	13	1	7%
7 - 9	1	1	3	1	2	67%
4 - 6	8	8	8	8	0	0%
0 - 3	9	9	10	9	1	10%
Total	31	32	36	32	4	11%

Table 20: Employees: Electricity Services

Financial Performance Year 2012/2013: Electricity Services						
R'000						
Details	2011/2012	2012/2013	2013/2014			
	Actual	Actual	Original Budget	Adjustment Budget	Actual	Variance to Budget
Total Operational Revenue	172 645	188 048	200 412	198 912	199 297	(1)%
Expenditure:						
Employees	7 166	7 626	9 780	9 614	9 193	(6)%
Repairs and Maintenance	4 716	6 162	11 299	6 362	6 313	(44)%
Other	137 585	152 172	158 291	154 838	129 098	(18)%
Total Operational Expenditure	149 467	165 960	179 369	170 813	144 604	(19)%
Net Operational Expenditure	(23 178)	(22 088)	(21 042)	(28 098)	(54 694)	160 %

Table 21: Financial Performance Year 2013/2014: Electricity Services

Capital Expenditure						
R' 000						
Projects	Original Budget	Adjustment Budget	Actual Expenditure	Variance from original budget	Variance from Adjusted budget	Total Project Value (2013/14 - 2015 /16)
Total All	15 956	21 295	19 025	19%	(11%)	57 935
Asset replacements and refurbishments	3 196	8 436	6 188	94%	(27%) ¹	17 436
Knysna Xolweni Substation	5 263	5 263	5 918	12%	12%	9 649
Prepaid Conversions	1 500	1 500	862	(43%)	(43%)	2 500
Brenton-on-Sea Low Voltage Cables	1 500	1 500	1 746	16%	16%	1 500
Total of sundry projects	4 497	4 596	4 311	(4%)	(6%)	26 850

Table 22: Capital Expenditure: Electricity Services

¹ Unspent portion transferred to the Capital Replacement Reserve for electrical projects in future financial years

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Major Towns	Notified Maximum Demand (NMD)	Maximum Demand Growth (MDG)	Maximum Demand Peak (MDP)
2011/2012			
Knysna	32 000 kVA	-1.18%	27 889 kVA (July 2011)
Eastford	4 000 kVA	-9.59%	3 740 kVA (July 2011)
Sedgefield	7 200 kVA	1.71%	6 338 kVA (July 2011)
Buffalo Bay	650 kVA	0.34%	546.85 kVA (December 2011)
Karatara Welfare Village	400 kVA	-6.87%	238.54 kVA (July 2011)
Karatara Forest Village	300 kVA	-17.81%	107.87 kVA (July 2011)
2012/2013			
Knysna	32 000 kVA	0.71%	28 086 kVA (July 2012)
Eastford	5 700 kVA	15.03%	4 302 kVA (July 2012)
Sedgefield	8 000 kVA	1.17%	6 412 kVA (July 2012)
Buffalo Bay	650 kVA	6.46%	582.15 kVA (December 2012)
Karatara Welfare Village	400 kVA	3.31%	246.43 kVA (July 2012)
Karatara Forest Village	300 kVA	1.17%	109.13 kVA (June 2013)
2013/2014			
Knysna	32 000 kVA	0.71%	25 877 kVA (July 2013)
Eastford	5 700 kVA	15.03%	5 716 kVA (June 2014)
Sedgefield	8 000 kVA	1.17%	6 170 kVA (July 2013)
Buffalo Bay	650 kVA	6.46%	602.08 kVA (December 2013)
Karatara Welfare Village	400 kVA	3.31%	290.28 kVA (Mar 2014)
Karatara Forest Village	300 kVA	1.17%	99.38 kVA (Aug 2013)

Table 23: Electricity Notified Maximum Demand

Financial Year	Percentage Loss	Increase (Decrease)
2010/2011	6.87	(0.73)
2011/2012	8.72	1.85
2012/2013	10.86	2.07
2013/2014	10.97	0.11

Table 24: Electricity Losses

Overall Electrical Services Performance

Based on the on the budget received and other resources the department performed satisfactorily considering the following:

- Limited availability of resources.
- Lack of town establishment in informal settlements

3.4 WASTE MANAGEMENT

Knysna Municipality renders a very effective refuse removal service to the majority of households in the Greater Knysna Municipal Area. In 2013 an overall 93% of households in Knysna Municipality were estimated to have their household refuse removed at least once a week by the municipality. If only the formal households are taken into account this figure goes up to 100%. This is a core function of the municipality but in some instances, particularly the Northern Areas in Knysna this service has

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been outsourced to emerging businesses which contributes towards the economic development programme of the municipality. The refuse is transferred to a landfill site outside of Knysna at Petro SA, near Mossel Bay, which complies with the national dumping site requirements. This particular landfill site is near its capacity and still has an estimated lifespan until 2014. The Eden District Municipality is in the process of establishing a new regional landfill site adjacent to Petro SA in Mossel Bay.

The Municipality has identified two sites in Knysna and Sedgefield respectively to be accredited as garden and builder's waste dumping sites. The statutory processes are currently underway and approval is being awaited from the provincial Department of Environmental Affairs and Development Planning in this regard. Certain farmers in the area however prefer to do their own waste management that complies with waste management legislation. SANParks and the Department of Agriculture, Fishery and Forestry also make use of private service providers for refuse removal from their villages. The figure below illustrates the level of service to households in the GKMA:²

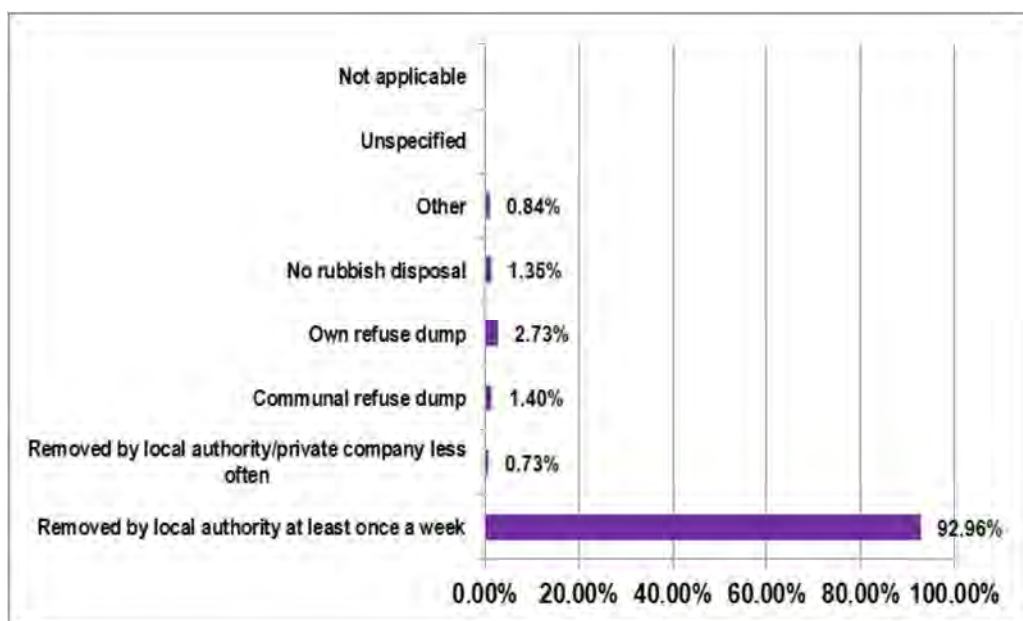


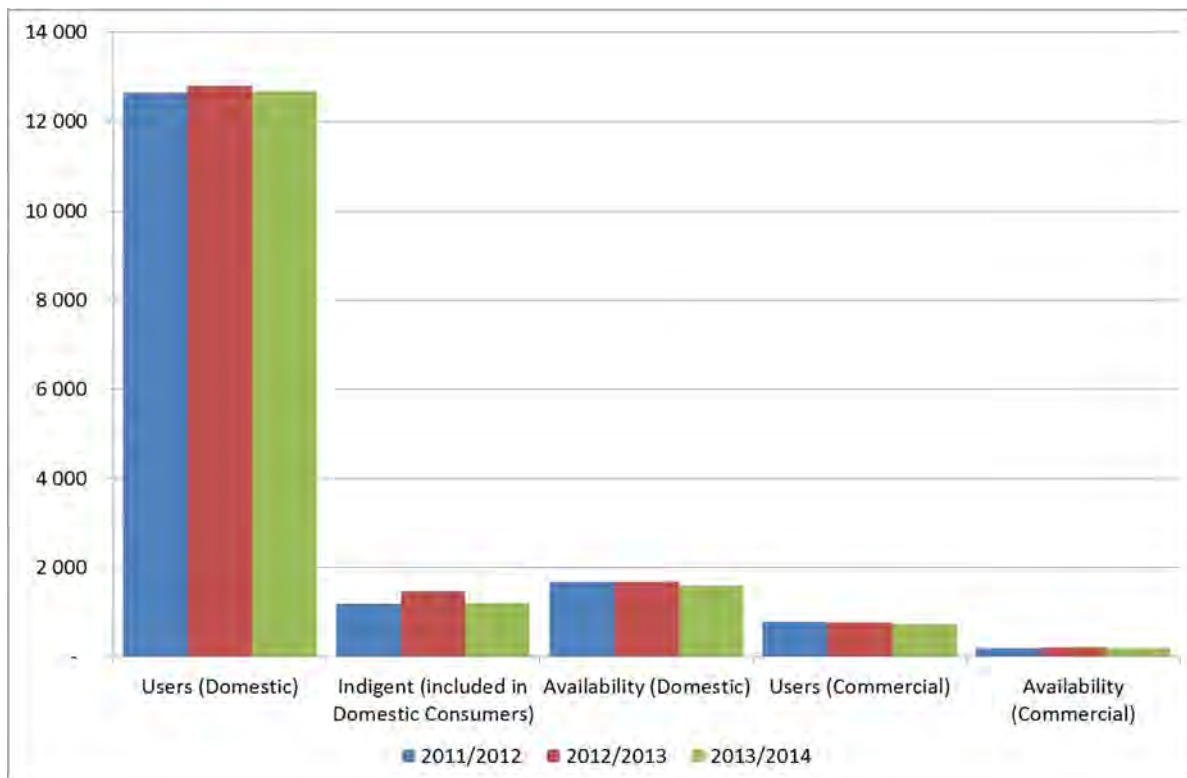
Figure 2: Refuse removal

Solid Waste Service Delivery Levels				User Access
Description	2011/2012 Actual	2012/2013 Actual	2013/2014 Actual	Change
<u>Solid Waste Removal:</u>				
Domestic	15 485	15 925	15 447	(3%)
Users	12 635	12 793	12 670	(1%)
Indigent	1 184	1 465	1 188	(19%)
Availability	1 666	1 667	1 589	(5%)
Commercial	955	955	898	(6%)
Users	775	764	718	(6%)
Availability	180	191	180	(6%)
Total number of users	16 440	16 880	16 345	(3%)

Table 25: Solid Waste Service Delivery Levels

² Source: Stats SA Census data, 2011

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Graph 5: Solid Waste Service Delivery Levels

Waste Management is a core function of local government and a basic service delivered by Knysna Municipality. It is also a major generator of revenue for the municipality and therefore Knysna Municipality has to put mechanisms in place to deliver this service on a sustainable basis in the most cost-effective way. Section 11.4 of the Waste Act (59 of 2008) requires local municipalities to develop Integrated Waste Management Plans. The IWMP of Knysna Municipality was adopted in 2006 and serves as an effective institutional framework for the following purpose:

- Pollution and waste minimization;
- Impact management and remediation;
- Holistic and integrated planning with the intention to develop mechanisms to ensure that integrated pollution and waste management considerations are integrated into the development of government policies, strategies and programmes; and
- Alignment of waste management with all spatial and economic development planning processes within the municipal space.

A service provider has been appointed in January 2013 to review the existing Integrated Waste Management Plan (IWMP) to bring it in line with the policy shift as illustrated in the National Waste Management Strategy. This plan in its draft form has been advertised for any comments with a deadline in January 2014. The final IWMP will afterwards be submitted to Council for approval. The Waste Management Plan will focus on a system that will ensure the least possible volumes of waste land up at engineered landfills. In order to achieve this the emphasis would be on the following:

- Waste education;
- Effective law enforcement; and
- Material recovery and treatment plants.

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The key elements of the Integrated Waste Management Plan are:

- Waste Avoidance;
- Waste Reduction;
- Re- use and Re-cycle;
- Treatment of waste; and
- Disposal at landfill.

The Council of Knysna Municipality has set a target of 15% less waste that lands up at the landfill site before 2014. This can only be achieved if effective awareness campaigns can be identified amongst the community and business to establish a culture of recycling at source and participate enthusiastically in waste minimization efforts. The rate of participation in recycling ranges between 9-15% and an intervention to improve this rate is to issue each household with a pack of recycling bags every three months. This program has started in August 2013 and we foresee a significant participation rate. The municipality is going to embark on a comprehensive Wise Up on Waste education programme at schools which will focus on educating learners regarding the handling of certain types of waste and appropriate disposal thereof. The existing Swop Shops at certain primary schools will also assist in enhancing the re-cycling programme. One of the challenges to implement this awareness and education campaign for recycling is adequate human resources to champion this programme.

The municipality has sufficient capacity to collect refuse regularly on a weekly basis. This service is rendered to all residential areas which includes all informal areas in all the wards. Access to informal plots in order to collect refuse is becoming a problem in the Northern Areas, with the uncontrolled development of informal houses, but with the formal ongoing housing program this should come to an end. Four garden waste sites, of which two are drop-off sites, and one builders' rubble facility each for Knysna and Sedgefield is planned and the processes have started in respect of the development of these sites. Two recycling facilities are also in operation and the Sedgefield site has just received its permit from the Department of Environmental Affairs and Development Planning.

Knysna Municipality experiences a number of fundamental challenges in terms of effective waste management as indicated in the table below which also illustrates appropriate interventions required to address such challenges:

Response Required	Municipal Action	Progress	Timeframe
Effective waste removal	Actions to improve access to waste removal and quality of service	Waste removal system is functioning optimally	2014-2017
Accredited waste sites for Knysna	Actions to maintain licences and/or improvements	Applications for accredited sites will be submitted to DEADP	2014/2015
Four unlicensed waste sites	ROD for the sites has expired and a submission must be made in terms of the new requirements of the Waste Act.	Submission has been made to DEADP to revive the expired ROD for at least one of the 4 potential sites	2013/2014
Garden refuse sites	Earmarking dedicated waste facilities for garden waste	Potential sites have been identified in Knysna and Sedgefield	2013/2014
The municipality must increase capacity to align with the new requirements of the Waste Act.	Continuous engagement with Waste Management Forum as well as Provincial Government	Engagements with the relevant stakeholders take place on an on-going basis	2014-2017
Updated Integrated Waste Management Plan	Review of Integrated Waste Management Plan	The review process is already in an advanced stage and will be completed by June 2013	2013/2014

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Response Required	Municipal Action	Progress	Timeframe
Recycling, waste minimization initiatives need to be supported financially in order to become viable options and self-sustainable projects.	<ul style="list-style-type: none"> Implementing an effective awareness campaign to promote recycling at source Supplying households with recycling bags, information regarding recycling Collection of recyclables and transporting to authorised sites. 	<p>Awareness campaign has started and is an on-going process</p> <p>Bags will be issued to all households by May 2013</p> <p>Determining the feasibility of this initiative</p>	2014-2017
Wheelie bin system	<ul style="list-style-type: none"> Current implementation of wheelie bins to households needs to be rolled out and completed. Sufficient funding needs to be made available to explore alternative systems for removal of household refuse 	Phase 1 of wheelie bin system is already being implemented in 5 residential areas in Knysna	2014-2017
Approved applicable refuse receptacles to be provided to households without refuse bins.	A detailed study will be done on the rolling out of this initiative in the informal areas	Feasibility of this initiative must still be explored	2015/2016

Table 26: Implementation of Integrated Waste Management Strategy

Cleansing Services

The cleansing function is undertaken as follows:

- A permanent cleansing team is rendering a cleaning service by means of sweeping the streets on a daily basis in the Central Business District area, as well as the taxi rank in town;
- Public facilities including picnic areas are also being cleaned on a daily basis, twice during busier times such as tourist season and public holidays; and
- The streets in residential areas are not cleaned as a rule. However a cleaning service contract has been awarded to a service contractor in the second half of the 2013/2014 financial year in the Northern Areas and Hornlee residential area only with the option to renew it for another two years.

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Waste Management Service Policy Objectives Taken From IDP											
Service Indicators	Outline Service Targets	Unit of Measurement	2011/2012		2012/2013		2013/2014		2014/2015	2015/2016	2016/2017
			Target	Actual	Target	Actual	Target	Actual	Target		
The number of single residential properties with access to basic level of solid waste removal.	This indicator reflects the number of single residential properties receiving a weekly door to door refuse removal service this excludes vacant residential properties.	Number	13 300	12 635	13 240	12 793	13 250	13 338	12 820	12 840	12 860
Review of the Integrated Waste Management Plan – IWMP submitted to Council	The Integrated Waste Management Plan - IWMP is a requirement by legislation. It is an integrated waste management system and process aimed at waste minimisation, managing the impact of waste on the receiving environment over the entire waste circle which includes waste generation, storage, collection, transportation, treatment and disposal of waste. It is intended to guide municipalities and their partners to move away from fragmented and uncoordinated waste management towards an integrated system. For 2015/2016	Number	-	-	-	-	-	-	1	-	-
Completion of draft Waste Management Infrastructure Plan	Develop an effective maintenance plan to extend the lifespan of existing waste management infrastructure/assets	Number	-	-	-	-	-	-	1	-	-

Table 27: Waste Management Service Policy Objectives Taken From IDP

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Employees: Solid Waste Management Services						
Job Level	2011/2012	2012/2013	2013/2014			
	Employees	Employees	Posts	Employees	Vacancies (fulltime equivalents)	Vacancies (as a % of total posts)
19 - 20	0	0	0	0	0	0%
16 - 18	0	0	0	0	0	0%
13 - 15	0	0	0	0	0	0%
10 - 12	2	2	2	2	0	0%
7 - 9	11	11	12	11	1	8%
4 - 6	4	5	5	4	1	20%
0 - 3	73	75	75	75	0	0%
Total	90	93	94	92	2	2%

Table 28: Employees: Solid Waste Management Services

Financial Performance Year 2013/2014: Solid Waste Management Services						
R'000						
Details	2011/2012	2012/2013	2013/2014			
	Actual	Actual	Original Budget	Adjustment Budget	Actual	Variance to Budget
Total Operational Revenue	20 513	21 080	23 162	23 162	22 801	(2)%
Expenditure:						
Employees	11 232	12 538	12 939	12 988	13 693	6 %
Repairs and Maintenance	744	421	1 218	1 174	926	(24)%
Other	17 985	16 113	10 268	10 332	12 642	23 %
Total Operational Expenditure	29 962	29 071	24 425	24 494	27 260	12 %
Net Operational Expenditure	9 449	7 991	1 262	1 332	4 459	253 %

Table 29: Financial Performance Year 2013/2014: Solid Waste Management Services

Capital Expenditure						
R' 000						
Projects	Original Budget	Adjustment Budget	Actual Expenditure	Variance from original budget	Variance from Adjusted budget	Total Project Value (2013/14 - 2015/16)
Total All ³	-	-	-	-	-	7 963
Establish Waste Facilities - Knysna	-	-	-	-	-	1 260
Vehicle replacements	-	-	-	-	-	4 083
Establish Waste Facilities - Sedgefield	-	-	-	-	-	920
Upgrade Transfer Station	-	-	-	-	-	900
Purchase of Wheelie bins	-	-	-	-	-	800

Table 30: Capital Expenditure: Solid Waste Management Services

³ No capital projects for 2013/2014

3.5 HOUSING (HUMAN SETTLEMENTS)

Human Settlements

There are approximately 22 746 formal households and 5 706 informal households in the Greater Knysna Municipal Area in 2013. The provision of affordable housing units remains a high priority for the Council of Knysna Municipality in order to restore the dignity of poor people and provide them with proper shelter as enshrined in the Constitution of South Africa.

The biggest challenge is that the demand for housing grows annually out of proportion in correlation with the funding resources that are available. The topography of the area also makes it difficult to install bulk services and infrastructure for housing development and the construction of top structures. Because of the hilly terrain especially in the Northern Areas of Knysna and the lack of alternative land it becomes very costly to deliver quality housing units for the subsidy amount available from government. That is why the Department of Human Settlements of Knysna Municipality had to develop innovative strategies and approaches to ensure that adequate quality houses are being built in the area.

Some of the other fundamental challenges that influence housing delivery in Knysna Municipality include:

- Inadequate funding allocations for human settlement development;
- Limited availability of suitable land;
- Inadequate capacity of existing bulk infrastructure;
- Lengthy environmental and other statutory approval processes; and
- Alignment of identified pipeline projects

Despite the aforementioned challenges, Knysna Municipality has earned a relatively good reputation for delivering successful human settlement projects and spending the allocation provided by provincial government. One hundred percent (100%) of the R46 m DoRA allocation for housing in the 2013/2014 financial year has already been spent and it is estimated that R30 m will be allocated to Knysna Municipality for the 2014/2015 financial year. The Department of Human Settlements in the Western Cape has normally increased its allocation for housing delivery to Knysna Municipality for the past couple of years which made it possible to increase the delivery of housing opportunities to more beneficiaries. It is doubtful that this will be repeated this year due to an extensive cut to the housing grants throughout the province. The human settlement process also poses very lucrative economic opportunities for local people and businesses. The Department of Human Settlement in Knysna Municipality promotes local labour and local procurement through all its projects and has provided business opportunities to 21 local contractors to the value of R7 m of which four of them are women contractors and one is living with disability. All housing projects in Knysna Municipality are implemented on EPWP principles and through the housing delivery process approximately 600 direct employment opportunities have been created in the 2013/2014 financial year.

Knysna Municipality has already delivered 3 500 Breaking New Ground (BNG) serviced sites and 2 456 housing units through the different BNG options available during the last 5 year IDP cycle. The upgrading of informal settlements is visible and one of the main characteristics is the high quality aesthetics of the BNG housing units that are being built in the area. Knysna Municipality has already distinguished itself as one of the high performance municipalities in the Western Cape in respect of housing delivery and the municipality makes the extra effort in terms of innovation despite the challenge it faces in terms of the scarce land resources.

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The existing Human Settlement Plan of Knysna Municipality is currently under review which will also incorporate a comprehensive pipeline with all the prioritised human settlement projects. The review of the HSP will form an integral part of the ISDF process with an attempt to integrate the Human Settlement Plan with other strategic planning documents including the Economic Development Strategy, Spatial Development Framework (SDF) and the Strategic Environmental Assessment (SEA).

The following housing opportunities were successfully implemented during the 2013/14 financial year:

- Serviced Sites : 273
- Platforms : 206
- Retaining Walls : 206
- Foundations : 206
- Top Structures : 390

The abovementioned housing opportunities have however not made a significant dent in the housing waiting list simply because the focus has been on the upgrading of informal settlements as opposed to greenfields development. The reason for this focus is two-fold: to ensure the provision of basic services to all residents; and there is no suitable, affordable land for greenfields development. At the current delivery rate it will take over 20 years to service the total waiting list, based upon the delivery of about 500 units per annum. There has been a shift in housing policy to focus on the provision of serviced sites as opposed to top structures. While this will assist in increasing delivery of services to all, it will however increase the load on the used infrastructure exponentially.

The current waiting list for accommodation is 12 589 as per the National Housing Demand Database which also include the applicants currently staying in the 5 706 informal dwellings. The following developments will be rolled out in the 2014/2015 financial year:

Human Settlement projects implemented since 2010		Future Human Settlement projects planned	
Project	Area	Project	Area
Provision of housing opportunities	Flenters, Robololo, Concordia, Bongani	Serviced sites for human settlement	Kruisfontein, Concordia, Ou Pad, Nekkies
Rectification of houses	Hornlee, Sedgfield, Rheenendal and Khayaletu	Human Settlement projects	Oupad, Nekkies, Concordia, Dam se Bos
Access to basic services	Wards 1, 4, 3, 6, 7 and 8	Rectification of houses	Hornlee, Rheenendal, Sedgfield
		Infill housing projects	Karatara, Rheenendal, Hornlee

Table 31: Human Settlements Developments to be rolled out

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The map below indicates the current residential areas of the applicants on the housing waiting list of Knysna Municipality:

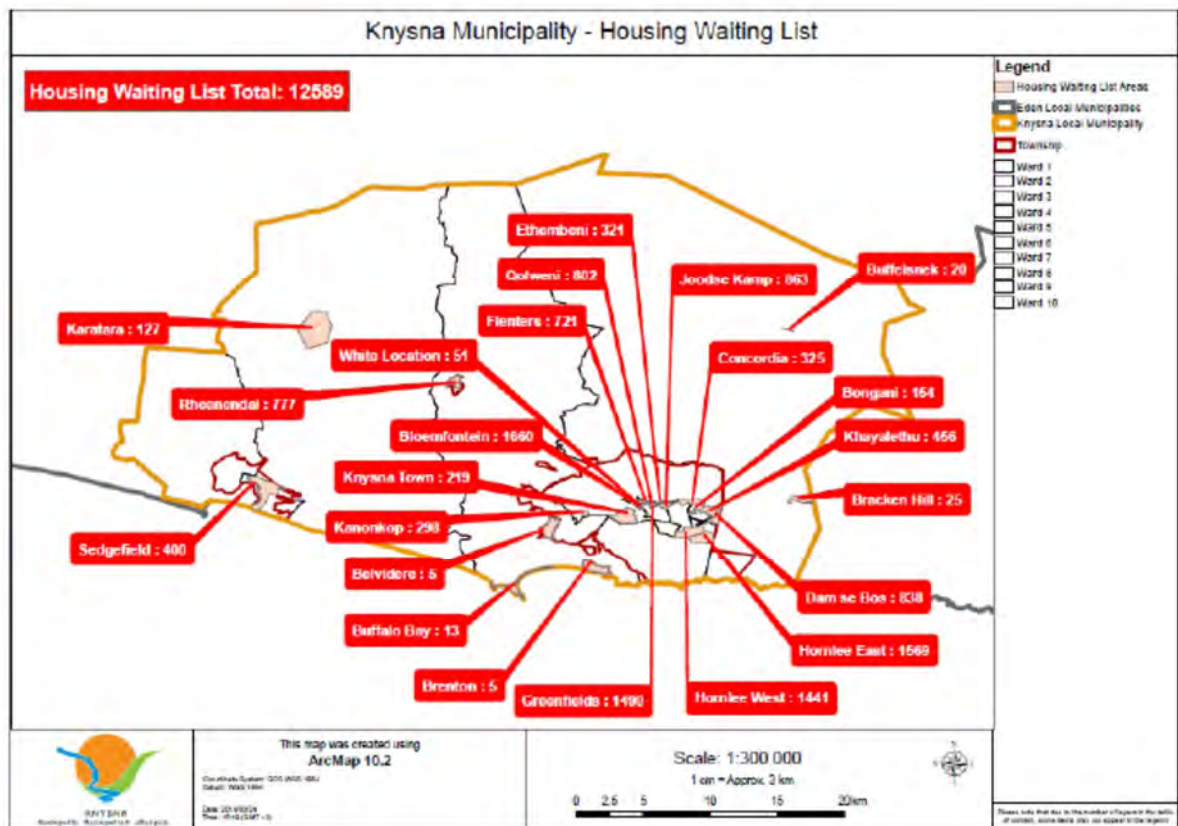


Figure 3: Housing Waiting List

Bulk services and infrastructure have to be upgraded in Rheenendal, Karatara, and Sedgefield in order for the Municipality to proceed with any human settlement project in these areas. Furthermore, the availability of land for housing purposes is a great challenge. Council is in negotiations with other spheres of government as well as private land owners to procure additional land for housing purposes. The SDF anticipates that the only potential for further development is towards the northern side of Knysna en route to Plettenberg Bay and that is why the municipality is discussing the possibility of unlocking Kruisfontein for a mixed residential development with Cape Pine.

Council will also seek other development options during the IDP period to maximize the housing opportunities and densification will form part of these options. The full range of BNG programs will be implemented and the reviewed Human Settlement Plan will capture more detail with regards to these options. An integrated approach to human settlement will have an enormous positive impact on the resources as well as the planning towards the successful implementation of one of the top IDP priorities in most wards. Council will need to vigorously pursue this complex issue of housing within complicated technical, social, political, environmental and financial constraints. A housing indaba with all relevant stakeholders will be hosted in the next financial year as part of the review of the Human Settlement Plan to explore all the housing delivery options available.

Human Settlement Planning

The shift in Housing Policies at both national and provincial spheres of government necessitates the compilation of a comprehensive holistic view of settlement planning and development. The new policies are conceptualized in the National Housing Policy (Breaking New Ground) and in the

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Western Cape Integrated Human Settlements Policy (Isidima). The plan focuses on good accommodation locations, access to job opportunities, housing typology, variety of tenure and provision of education, health, transport and other socio-economic facilities that would contribute to integrated and sustainable settlement development.

Knysna Municipality adopted its Integrated Sustainable Human Settlement Strategy in 2008 which also incorporates the Human Settlement Plan (HSP). This strategy not only conceptually illustrates how housing projects could contribute to creating integrated human settlements, but also identifies pilot projects for the municipal area as well as policy, budgets and land options for at least the next 5 years. The Human Settlement Plan is currently being reviewed as part of the ISDF process of the municipality and will aim to achieve the following objectives:

- To develop a holistic approach towards housing development inclusive of the municipality's in-situ upgrading plans;
- To develop a comprehensive strategy for the transfer of existing rental stock as well as a proposal for the development of innovative rental options;
- To develop a strategy for the provision of Breaking New Ground (BNG) and entry level bonded housing products as well as all other housing opportunities;
- To develop a strategy for housing project linked homes and other forms of housing provision considered appropriate to address the housing needs of the communities in Knysna Municipality; and
- To develop a strategy for densification and alternative development methods.

The reviewed HSP must be able to indicate how many housing opportunities of what sort are to be provided, where and when over the short, medium and long term. It must also be able to address the current challenges experienced in terms of human settlement planning and how the municipality will be able to provide adequate housing opportunities to keep pace with the demand. In particular it should address how this will be achieved without placing stress on the Council's limited financial resources. The master planning of bulk infrastructure (water, sewerage and electricity) must also be aligned and integrated with the targets determined in the reviewed HSP.

It must be noted that migration and growth in population will always have an impact on the need for houses and the housing waiting list. The waiting list of 12 589 is made up as follows:

Ward	AREA	WAITING LIST
1	Sedgefield	400
2	Karatara	127
3	Bracken Hill	25
	Buffelsnek	20
	Dam se Bos	838
4	White Location	51
	Bloemfontein	1 660
	Greenfields	1 499
	Flenters	721
	Qolweni	802
5	Belvidere	5
	Brenton	5
	Buffalo Bay	13
	Rheenendal	777
6	Hornlee East	1 569
7	Khayaletu	456
8	Concordia	325

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Ward	AREA	WAITING LIST
	Joodse Kamp	863
	Ethembeni	321
	Kanonkop	298
	Bongani	154
9	Hornlee West	1 441
10	Knysna Town	219
	Total	12 589

Table 32: Municipal housing waiting list

Integrated human settlements are one of the priorities identified in almost all the wards throughout the Municipality. That is why the provision of adequate housing opportunities features quite prominently in the strategic focus and vision of Council. To address this need it is paramount that Council approach Human Settlements from a strategic point of view, and in order for Council to deliver on the Human Settlement Plan it needs strategic partnership between government and the private sector. Knysna Municipality is in the process has developed a comprehensive Human Settlement Plan which incorporates a housing pipeline with clearly defined deliverables and targets for housing delivery for the next 5 years. The Human Settlement Plan mainly focuses on the implementation of the Breaking New Ground policies and initiatives but also makes provision for alternative housing options such as rental units, Gap housing, etc. The HSP and the Housing Pipeline will outline the potential delivery targets in relation to the funding and the time period within which such a development are being planned

Due to the scarce land availability the planning methodology of Knysna Municipality is based on densification models and within this strategy Council is planning to develop the full range of BNG options. The planning of GAP housing and higher income developments will also be taken into consideration and the future challenge will be to develop housing models that will accommodate the whole spectrum of demand. The municipality also needs to engage the private sector in the development of human settlements and the ABSA and Own Haven developments are proof of Council's commitment to form strategic partnerships that will facilitate quality housing delivery in Knysna.

ABSA has re-affirmed its commitment to commence with the infill development in Hornlee subsequent to the ROD that has been approved in this regard. The Council has also granted planning approval for the rezoning, subdivision, departure and road closure required for this development. This development makes provision for a number of BNG housing units and also paves the way for a first of its kind FLISP development which will serve as a pilot project in the Eden District. The development will be complimented by a number of serviced plots which will be made available in the open property market.

It is envisaged that a comprehensive housing summit will be held to consider all the above mentioned factors influencing housing delivery and determine innovative and collaborative approaches to address the huge demand for housing in the Greater Knysna Municipal Area.

The response required by the Human Settlement Plan can be summarised as follows:

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Ward	Response Required	Municipal Action	Progress	Timeframe
1	Acquisition of land	Land to be secured to eradicate housing backlog for human settlements have been identified	Land has been identified for human settlement purposes at the back of U-Save in Smutsville Negotiations are currently underway with the private land owner in this regard	2014/2015
		Planning for housing delivery	Professional Resource Team (PRT) is currently busy with the proposed design lay-outs for a human settlement project	2015/2016
2	Improved capacity of bulk infrastructure	Upgrading of existing bulk services to accommodate housing development	MIG application to be submitted	2015/2016
	Delivery of adequate houses	Development of 188 serviced sites in Karatara Construction of 188 low cost housing units in Karatara	Application has been submitted to Western Cape Department of Human Settlements	2015/2016
3	Acquisition of land for housing delivery	To acquire additional land for mixed residential development at Kruisfontein	Negotiation are currently in process with Cape Pine for the use of a portion of their land as a Temporary Relocation Area	2014/2016
4	Improved access to housing opportunities	Servicing of 800 sites for future housing development	Application for funding for services has been approved.	2015/2016
	Improved access to housing opportunities	Servicing of 100 sites for future housing development in Dam se Bos (South) Servicing of 110 sites for future housing development in Nekkies East	Installation of services in Nekkies East and part of Dam se Bos South is way under construction, further phases will be implemented and completed	2015/2016
	Delivery of adequate houses	Construction of 65 low cost units in Flanders and Robololo	Funding has been secured for the construction of low cost housing in Flanders and Robololo and the project is 80% complete	2015/2016
	Delivery of adequate houses	Construction of 140 low cost housing units in Bloemfontein Construction of 315 low cost housing units in Qolweni	Planning applications for Bloemfontein and Qolweni has been approved by Department of Human Settlements Conditional applications to be submitted to the Department of Human Settlements for approval	2015/2016
	Improve existing living conditions	Application submitted for the rectification of 150 housing units	Due to a change in policy of the Department of Human Settlements, houses that were built through the People's Housing Process (PHP) has been excluded from the Rectification Programme	Done
5	Delivery of adequate houses	Construction of 60 low cost housing units in Lapland, Rheenendal as part of infill development	Application for funding submitted to PGWC and is awaiting approval	2014/2015
	Improved access to housing opportunities	Servicing of 165 sites for future housing development in Rheenendal	Application for planning approval was submitted to the Department of Human Settlements and is awaiting approval	2016/2017

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Ward	Response Required	Municipal Action	Progress	Timeframe
6	Delivery of adequate houses	Construction of 165 low cost housing units in Ou Pad and Hlalani as part of the UISP project	Construction is in an advanced stage already and the Ou Pad / Hlalani project is nearly 50% completed	2015/2016
	Improved access to housing opportunities	Accelerate the unlocking of ABSA mixed residential development in Hornlee	Planning is currently being done for the optimal utilisation of the infill sites in Hornlee as part of the ABSA development	2014/2015
7	Improve existing living conditions	Implementation of rectification programme on 103 existing housing units in Khayaletu	Rectification project in Khayaletu is 100% complete	Done
	Delivery of adequate houses	Construction of 25 low cost housing units in Edameni	Planning application for the UISP project in Edameni has been approved	2014/2015
8	Improved capacity of bulk infrastructure	Upgrading of existing bulk services to accommodate housing development	MIG application to be submitted	2016/2017
	Delivery of adequate houses	Construction of 120 low cost housing units in Happy Valley Construction of 200 low cost housing units in Ethembeni	Application for funding has been approved and construction will commence in due course	2014/2015
9	Improve existing living conditions	Implementation of rectification programme on 197 existing housing units in Hornlee	An application has been submitted to the Western Cape Department of Human Settlements and is waiting for approval	2016/2017

Table 33: Implementation of the Human Settlement Plan

It is common knowledge that the delivery of housing is a National and Provincial competency, but it is being implemented by Local Government on an agency basis. A critical analysis of this arrangement is required within the medium term to determine the effect it has on housing delivery in general. The increasing responsibilities that are placed on local municipalities in this regard have a direct effect on their financial viability. While a grant is provided for the installation of internal reticulation to the development, as well as the top structure, what is not provided for is funding for the necessary upgrading repairs and maintenance on the bulk infrastructure as a result of the additional dwellings and population. It is estimated that a roll out of the current programs will result in Council having to contribute over R3 million per annum, excluding the life cycle costs to the housing delivery programmes.

The housing demand is significantly higher than the resources available and that is why the allocation of houses to potential beneficiaries becomes a challenge for the municipality. A new housing allocation policy is in the process of being developed which will guide the prioritisation of particular human settlement projects and subsequently facilitate the identification of beneficiaries for completed housing units.

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Housing Service Policy Objectives Taken From IDP											
Service Indicators	Outline Service Targets	Unit of Measurement	2011/2012		2012/2013		2013/2014		2014/2015	2015/2016	2016/2017
			Target	Actual	Target	Actual	Target	Actual	Target		
Transfer of Council housing opportunities to the approved occupier or approved beneficiary in order to upgrade their tenure to full title via a Title Deed	<p>A housing opportunity is access to* and/or delivery of one of the following housing products:</p> <p>(A) subsidy housing (BNG), which provides a minimum 40 m² house;</p> <p>(B) incremental housing, which provides a serviced site with or without tenure;</p> <p>(C) rental housing, which is new community residential units, upgrading and redevelopment of existing rental units;</p> <p>(D) People's Housing Process, i.e. beneficiaries who maximise their housing subsidy by building or organising the building of their homes themselves;</p> <p>(E) land restitution including land approved by Council or court decisions transferred to valid claimants;</p> <p>(F) social housing, namely new rental units delivered by the municipalities social housing partners; or</p> <p>(G) gap housing, which is a serviced plot, a completed unit for sale or affordable units for sale. * "Access to" means the same as contemplated in section 26(1) of the Constitution of the Republic of South Africa, 1996, namely "Everyone has the right to have access to adequate housing". An approved beneficiary is the person who has been approved for a housing grant by the Provincial Department of Human Settlements, in terms of the Housing Act. The approved occupier is the person with whom the Municipality has entered into a sales agreement in order to purchase the property.</p>	Number	180	154	400	-	300	272	-	-	-
Percentage of Title deeds transferred to approved UISP beneficiaries.	<p>Percentage of title deeds in Upgrading of Informal Settlements Programme (UISP) projects transferred to approved beneficiaries within 150 days of submission to conveyancers.</p> <p>An approved beneficiary is the person who has been approved for a housing grant by the Provincial Department of Human Settlements, in terms of the Housing Act. The approved occupier is the person with whom the Municipality has entered into a sales agreement in order to purchase the property.</p>	Percentage	-	-	-	-	-	-	90	90	90

Table 34: Housing Service Policy Objectives Taken From IDP

Chapter 3

Employees: Housing Services						
Job Level	2011/2012	2012/2013	2013/2014			
	Employees	Employees	Posts	Employees	Vacancies (fulltime equivalents)	Vacancies (as a % of total posts)
19 - 20	0	0	0	0	0	0%
16 - 18	1	1	0	0	0	0%
13 - 15	0	0	1	1	0	0%
10 - 12	2	2	2	2	0	0%
7 - 9	7	7	8	8	0	0%
4 - 6	4	5	5	4	1	20%
0 - 3	0	0	0	0	0	0%
Total	14	15	16	15	1	6%

Table 35: Employees: Housing Services

Financial Performance Year 2013/2014: Housing Services						
						R'000
Details	2011/2012	2012/2013	2013/2014			
	Actual	Actual	Original Budget	Adjustment Budget	Actual	Variance to Budget
Total Operational Revenue	61 435	61 735	46 483	46 483	56 514	22 %
Expenditure:						
Employees	3 886	3 735	4 413	4 413	3 739	(15)%
Repairs and Maintenance	205	245	122	283	467	283 %
Other	57 989	50 797	33 795	33 609	51 080	51 %
Total Operational Expenditure	62 080	54 777	38 330	38 305	55 285	44 %
Net Operational Expenditure	646	(6 958)	(8 152)	(8 177)	(1 229)	(85)%

Table 36: Financial Performance Year 2013/2014: Housing Services

Capital Expenditure						
						R' 000
Projects	Original Budget	Adjustment Budget	Actual Expenditure	Variance from original budget	Variance from Adjusted budget	Total Project Value (2013/14 - 2015 /16)
Total All	14 450	14 450	12 814	(11%)	(11%)	46 170
Knysna Vision 2002 infrastructure	14 000	14 000	12 515	(11%)	(11%)	45 500
Electricity Infill Connections	450	450	299	(34%)	(34%)	450
Vehicle Replacement	-	-	-	-	-	220

Table 37: Capital Expenditure: Housing Services

3.6 FREE BASIC SERVICES AND INDIGENT SUPPORT

Section 97(1)(c) of the Municipal Systems Act requires municipalities to formulate an Indigent Policy that is consistent with Council's rate and tariff policies and also meets the requirements of S152 of the Constitution.

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Trends in demand for free or subsidised basic services

The Municipality has in place a fair but rigorous credit control policy and has a good record of debt recovery. Furthermore, its policy on indigent support and social rebates means that many households who would normally struggle to pay their accounts receive free or subsidised basic services thereby keeping them free of the burden of municipal debt. Nevertheless, there will always be an element of the total amount billed that will remain uncollected. The Municipality is the same as any other business in this regard. Adequate provision has to be made in the budget for any bad debts based on assumptions on collection rates.

The obligation rests on citizens to apply for social rebate and may be granted to the owner in respect of one dwelling unit only, used exclusively for residential purposes and provided the owner submits acceptable proof that the combined gross monthly income of the householders does not exceed :-

Income Group	Per annum
R 0 - R 2 600	a reduction of 100%
R 2 601 - R 3 600	a reduction of 50%
R 3 601 - R 4 200	a reduction of 25% ⁴

The Government allocates revenue via the Division of Revenue Act (DoRA) in the form of the Equitable Share Grant with the primary aim of assisting municipalities with the costs of providing free or subsidised basic services. Any costs over and above the Equitable Share allocation are met by the Municipality.⁵

Indigent Support Objectives

The objective of Indigent Support is to ensure the following:

- * The provision of basic services to the community in a sustainable manner, within the financial and administrative capacity of the Council;
- * To provide procedures and guidelines for the subsidisation of rates and basic service charges to its indigent households, using the Council's budgetary provisions received from National Government, according to prescribed policy guidelines;
- * That Council recognises that many of the residents can simply not afford the cost of full provision and for this reason Council will endeavour to ensure affordability through:
- * To set rates and tariffs in terms of the Council's Rates and Tariff Policy, which will balance the economic viability of continued service delivery; and
- * To determine appropriate service levels.

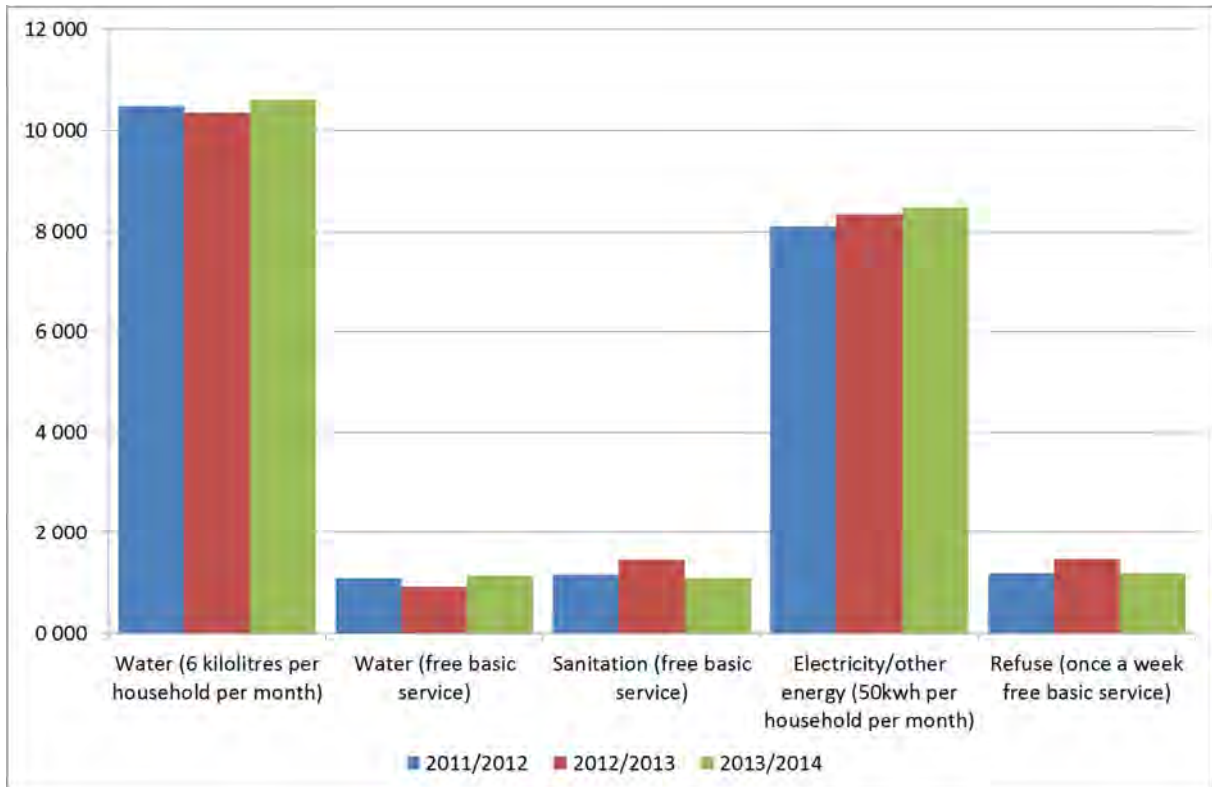
The municipality continues to focus on closing the still enormous gap that exists between rich and poor in this community. We can be proud of our track record for being one of only a few municipality's in the country that have maintained a good balance between providing for the indigent while still addressing needs in more affluent neighbourhoods.⁶

⁴ 2013/2014 Council approved municipal tariffs

⁵ 2013/2014 MTREF approved 30 May 2013

⁶ 2014/2015 IDP Mayor's Foreword

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Graph 6: Indigent Support

Free Basic Services To Low Income Service Users												
Year	Households earning less than R2 600 per month (2013/2014)											
	Water			Sanitation			Electricity			Basic Refuse		
	Total	Free Basic Access	%	Total	Free Basic Access	%	Total	Free Basic Access	%	Total	Free Basic Access	%
2011/2012	10 480	1 091	10%	10 924	1 150	11%	18 475	8 094	44%	13 819	1 184	9%
2012/2013	10 350	917	9%	11 359	1 454	13%	18 562	8 331	45%	14 258	1 465	10%
2013/2014	10 606	1 136	11%	11 216	1 091	10%	18 852	8 480	45%	13 858	1 188	9%

Table 38: Free Basic Services to Low Income Consumers

Financial Performance Year 2013/2014: Cost to Municipality of Free Basic Services Delivered						
Services Delivered	2011/2012	2012/2013	2013/2014			
	Actual	Actual	Budget	Adjustment Budget	Actual	Variance to Budget
Water	1 507	2 065	1 996	1 996	2 468	3%
Waste Water (Sanitation)	818	1 049	946	946	1 131	10%
Electricity	2 805	3 063	3 005	3 005	3 461	2%
Waste Management (Solid Waste)	940	1 254	1 031	1 031	1 149	18%
Total	6 070	7 430	6 978	6 978	8 208	6%

Table 39: Financial Performance Year 2013/2014: Cost to Municipality of Free Basic Services Delivered

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Free Basic Service Policy Objectives Taken From IDP											
Service Indicators	Outline Service Targets	Unit of Measurement	2011/2012		2012/2013		2013/2014		2014/2015	2015/2016	2016/2017
			Target	Actual	Target	Actual	Target	Actual	Target		
The number of single residential properties earning less than R2500 per month with access to free basic services; WATER	This indicator reflects the 100% social rebate granted in respect to the annual water availability fee charged to qualifying home owners of single residential properties.	Number	1 697	1 091	1 370	917	1 410	1 136	930	940	960
The number of single residential properties earning less than R2500 per month with access to free basic services; SANITATION/SEWERAGE	This indicator reflects the 100% social rebate granted in respect to the annual sanitation fee charged to qualifying home owners of single residential properties.	Number	1 697	1 150	1 370	1 454	1 410	1 091	1 480	1 490	1 500
The number of single residential properties earning less than R2500 per month with access to free basic services; ELECTRICITY	This indicator relates to the Pre-Paid Electricity Tariff Electrification Housing Scheme (Limited to 20A) limited to 400kWh and first 50kWh free	Number	7 470	8 094	8 100	8 331	8 350	8 480	8 380	8 400	8 440
The number of single residential properties earning less than R2500 per month with access to free basic services; SOLID WASTE/REFUSE	This indicator reflects the 100% social rebate granted in respect to the annual solid waste fee charged to qualifying home owners of single residential properties.	Number	1 697	1 184	1 370	1 465	1 410	1 188	1 490	1 510	1 520

Table 40: Free Basic Service Policy Objectives Taken From IDP

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COMPONENT B: ROAD TRANSPORT

This component includes: roads; transport; and waste water (storm water drainage).

3.7 ROADS

One of the main characteristics of Knysna Municipality is that the N2 run through the two major economic centres which are Knysna and Sedgefield. This obviously has its advantages and disadvantages. From an economic perspective it serves as a main artery of economic stimulation to the area. This positions Knysna strategically as the gateway to the Eastern Cape as well as the Western Cape. It does however increase the volume of traffic significantly resulting in more regular maintenance to be undertaken on this road. A by-pass has been proposed as an alternative route to relieve the traffic congestions experienced particularly during the holiday season in Knysna and Sedgefield. SANRAL indicated that the Knysna N2 by-pass environmental impact assessment is completed and is now awaiting the ROD from the Department of Environmental Affairs in Pretoria.

All the towns and settlements in the municipal area are connected with fairly good quality formal roads which assists the connectivity between the towns and the neighbouring municipalities. The condition of roads in the Greater Knysna Municipal Area has deteriorated rapidly over the past few years due to aging of the infrastructure, a dramatic increase in traffic volumes – particularly heavy vehicles, the lack of funding for maintenance and the impact of floods which the area encountered over the past few years.

Knysna Municipality has 241 km of tarred road of which 74% of these roads are in a good condition, 19% in a fair condition and 7% in a poor condition. The municipality has a dedicated program in place to upgrade the roads in poor condition with the limited resources available and are maintaining the good roads with the annual reseal programme. The municipality also has to maintain approximately 54km of gravel roads within its area of jurisdiction. It is estimated that these gravel roads would only be upgraded within the next 30 years if an annual budget allocation of R 6 million per annum is available over this period of time.

Many roads in the informal settlements such as Dam se Bos, Edameni, Hlalani, Sizamile, and Ethembeni are poor and thus accessibility is difficult for medical and rescue services. A roads upgrading project in Dam-se-Bos was undertaken this financial year and it made a significant impact in terms of the access for that particular community. The Municipality has made provision for resealing, graveling and rehabilitation of roads in some of the more seriously affected areas, but these efforts are greatly hampered by budgetary constraints.

Gravel Road Infrastructure				Kilometres
	Total gravel roads	New gravel roads constructed	Gravel roads upgraded to tar	Gravel roads graded/maintained
2011/2012	between 46 and 53	0	0	46-53
2012/2013	53	0.7	0	53.7
2013/2014	53	0	0	53.7

Table 41: Gravel Road Infrastructure

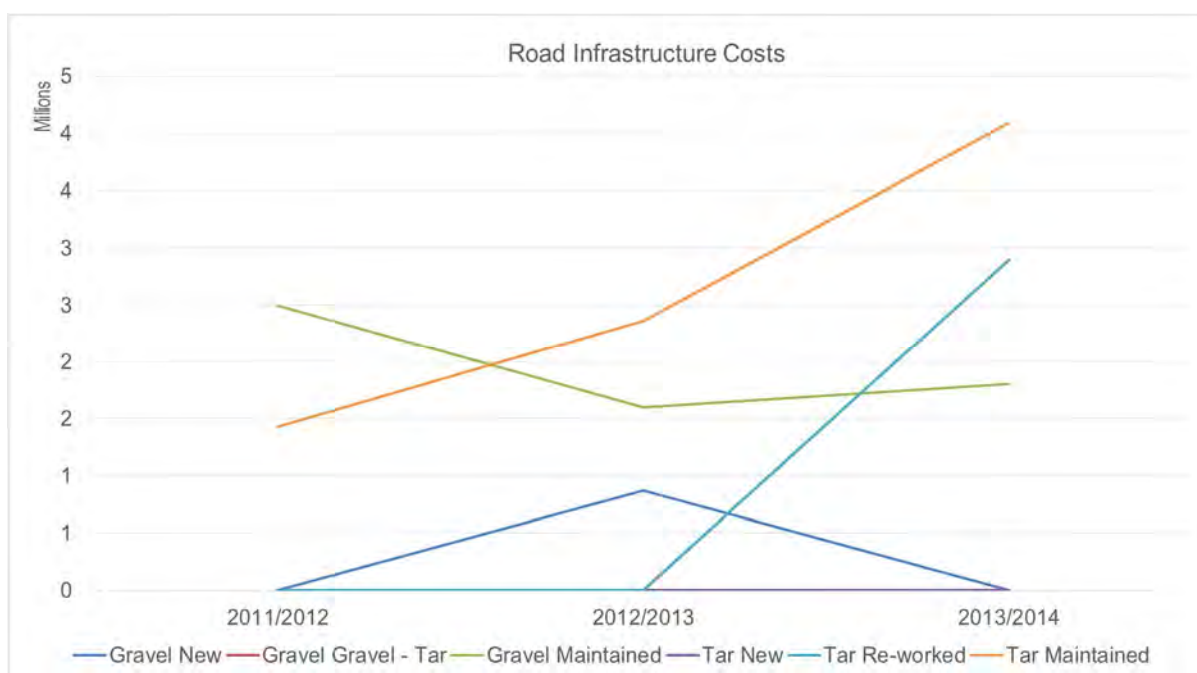
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Tarred Road Infrastructure					Kilometres
	Total tarred roads	New tar roads	Existing tar roads re-tarred	Existing tar roads re-sheeted	Tar roads maintained
2011/2012	241	1	0	0	240
2012/2013	241	0	0	0	241
2013/2014	241	0	0.9	0	241

Table 42: Tarred Road Infrastructure

Cost of Construction/Maintenance						R' 000
	Gravel			Tar		
	New	Gravel - Tar	Maintained	New	Re-worked	Maintained
2011/2012	0	0	2 498	0	0	1 426
2012/2013	870	0	1 600	0	0	2 359
2013/2014	0*	0 ⁷	1 805	0	2 897	4 087

Table 43: Cost of Construction/Maintenance Roads



Graph 7: Road Infrastructure Costs

⁷ Does not include new provided through the human settlements projects

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Road Service Policy Objectives Taken From IDP											
Service Indicators	Outline Service Targets	Unit of Measurement	2011/2012		2012/2013		2013/2014		2014/2015	2015/2016	2016/2017
			Target	Actual	Target	Actual	Target	Actual	Target		
Submit the updated pavement management system to Council every three years	The Pavement Management System (PMS) is a report on the condition of Knysna's roads as a result of an inspection on site. The system contains the results of the inspection, proposes required remedial actions and lists these in priority and provides cost estimates. The PMS gives input in to the annual and long term budget as well as tracks the back logs. It displays the information visually and groups the output in towns as well as suburbs.	Number	-	-	1	1	-	-	-	1	-

Table 44: Road Service Policy Objectives Taken From IDP

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Employees: Road Services						
Job Level	2011/2012	2012/2013	2013/2014			
	Employees	Employees	Posts	Employees	Vacancies (fulltime equivalents)	Vacancies (as a % of total posts)
19 - 20	0	0	0	0	0	0%
16 - 18	0	0	0	0	0	0%
13 - 15	0	0	0	0	0	0%
10 - 12	2	2	4	4	0	0%
7 - 9	8	8	8	5	3	38%
4 - 6	25	27	26	26	0	0%
0 - 3	37	41	40	36	4	10%
Total	72	78	78	71	7	9%

Table 45: Employees: Road Services

Financial Performance Year 2013/2014: Road Services						
						R'000
Details	2011/2012	2012/2013	2013/2014			
	Actual	Actual	Original Budget	Adjustment Budget	Actual	Variance to Budget
Total Operational Revenue	2 235	1 971	14 415	14 631	2 929	(80)%
Expenditure:						
Employees	8 049	8 345	9 543	8 579	8 839	(7)%
Repairs and Maintenance	4 643	4 192	7 363	9 199	8 911	21 %
Other	13 465	13 076	12 000	12 006	7 688	(36)%
Total Operational Expenditure	26 158	25 613	28 905	29 784	25 439	(12)%
Net Operational Expenditure	23 923	23 642	14 490	15 153	22 510	55 %

Table 46: Financial Performance Year 2013/2014: Road Services

Capital Expenditure						
						R' 000
Projects	Original Budget	Adjustment Budget	Actual Expenditure	Variance from original budget	Variance from Adjusted budget	Total Project Value (2013/14 - 2015 /16)
Total All	6 951	6 397	3 422	(51)%	(47)%	13 217
N2 Nekkies Traffic Circle ⁸	2 400	2 400	129	(95%)	(95%)	2 400
Labour intensive side walks	3 701	3 701	3 193	(14%)	(14%)	6 701
Sedgefield Taxi Rank		216	56	-	(74%)	216
Sedgefield dune rehabilitation	200	80	43	(78%)	(46%)	80
Total of sundry projects	650	-	-	(100%)	-	3 820

Table 47: Capital Expenditure: Road Services

⁸ Project delayed pending the approval of the Pedestrian Management Plan. Project scheduled for implementation in the 2014/2015 financial year.

3.8 TRANSPORT (INCLUDING VEHICLE LICENSING)

Integrated Transport Plan

The Integrated Transport Plan for the Eden District was adopted in 2010 and incorporates a component focussing on Knysna Municipality. The municipality actively participates in the continuous evolution and implementation of this plan. The transport vision as set out in the ITP for the Eden District is:

“The vision for 2015 is a demand-responsive, sustainable, balanced and equitable rural transport system that allows the basic access needs of individuals to be met, is affordable, operates efficiently, offers choice of transportation modes, and supports a vibrant economy.”

Response Required	Municipal Action	Description of projects	Progress	Timeframe
Improve the mobility of non-motorised transport	<ul style="list-style-type: none"> Comprehensive mobility strategy to be developed Development of a NMT Plan for GKMA 	<ul style="list-style-type: none"> Establishment of a NMT route in Smutsville/Sizamile Establishment of a pedestrian walkway from Sunridge to Hunters Home Additional pedestrian crossing facilities at the Nekkies/N2 intersection Improve the walkway for especially school learners in the Northern Areas which include a bicycle lane Convert NMT infrastructure to accommodate people living with disabilities 	To be incorporated in ITP	2015/2016
Improve public transport system	<ul style="list-style-type: none"> Facilitate the improvement of the public transport system with all relevant stakeholders Establishment of adequate infrastructure for public transport 	<ul style="list-style-type: none"> Upgrading of White Location taxi rank Establishment of under-roof taxi rank at Sanlam Mall Improved law enforcement on the vehicles used for subsidized learner transport Establishment of an alternative parking area for tour busses in Sedgefield 	To be incorporated in ITP	2014-2017
Traffic safety plan	Development of a comprehensive traffic safety plan in consultation with all relevant stakeholders	<ul style="list-style-type: none"> Improved traffic safety measurements at the Nekkies/N2 intersection Speed calming mechanisms along the main routes in the Northern Areas and Hornlee Installation of adequate street lighting along Concordia corridor and Uniondale Road 	To be initiated by the traffic department	2014/2015

Table 48: Integrated Transport Planning

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Transport Service Policy Objectives Taken From IDP											
Service Indicators	Outline Service Targets	Unit of Measurement	2011/2012		2012/2013		2013/2014		2014/2015	2015/2016	2016/2017
			Target	Actual	Target	Actual	Target	Actual	Target		
Participate in the development of an Integrated Transport Plan	The five year Integrated Transport Plan for the Eden District was adopted in 2010 and incorporates a component focussing on Knysna Municipality and is reviewed on an annual basis. The Municipality actively participates in the continuous evolvment and implementation of this plan, budget permitting.	Number	-	-	-	-	1	-	-	-	-

Table 49: Transport Service Policy Objectives Taken From IDP

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Employees: Transport Services						
Job Level	2011/2012	2012/2013	2013/2014			
	Employees	Employees	Posts	Employees	Vacancies (fulltime equivalents)	Vacancies (as a % of total posts)
19 - 20	0	0	0	0	0	0%
16 - 18	0	0	0	0	0	0%
13 - 15	0	0	0	0	0	0%
10 - 12	1	1	1	1	0	0%
7 - 9	2	2	2	2	0	0%
4 - 6	5	5	6	6	0	0%
0 - 3	2	2	2	2	0	0%
Total	10	10	11	11	0	0%

Table 50: Employees: Transport Services

Financial Performance Year 2013/2014: Transport Services						
						R'000
Details	2011/2012	2012/2013	2013/2014			
	Actual	Actual	Original Budget	Adjustment Budget	Actual	Variance to Budget
Total Operational Revenue	3 620	3 467	3 603	3 603	3 746	4 %
Expenditure:						
Employees	1 886	1 792	1 929	1 929	1 803	(7)%
Repairs and Maintenance	5	0	-	-	-	-
Other	876	834	242	257	332	37 %
Total Operational Expenditure	2 767	2 626	2 171	2 186	2 135	(2)%
Net Operational Expenditure	(853)	(841)	(1 433)	(1 418)	(1 610)	12 %

Table 51: Financial Performance Year 2013/2014: Transport Services

3.9 WASTE WATER (STORMWATER DRAINAGE)

Storm water and the drainage thereof remains a challenge due to funding constraints, terrain, ageing infrastructure and staff shortages. Informal and illegal systems also multiply the effects. Mitigating against flooding and inadequate drainage remains the top priority.

A number of informal areas are still not adequately serviced and continue to suffer losses during floods largely as a result of under-engineering based upon national minimum standards which in turn impact on funding availability. Furthermore areas such as Hornlee require significant work on the stormwater system to mitigate against continual losses at times of floods and heavy rains. Again these areas were initially under-engineered when they were developed and almost no provision was made for township expansion.

Stormwater Infrastructure				
	Total Stormwater measures	New stormwater measures	Stormwater measures upgraded	Kilometres Stormwater measures maintained
2011/2012	24	0	0	24
2012/2013	24	0	0	24

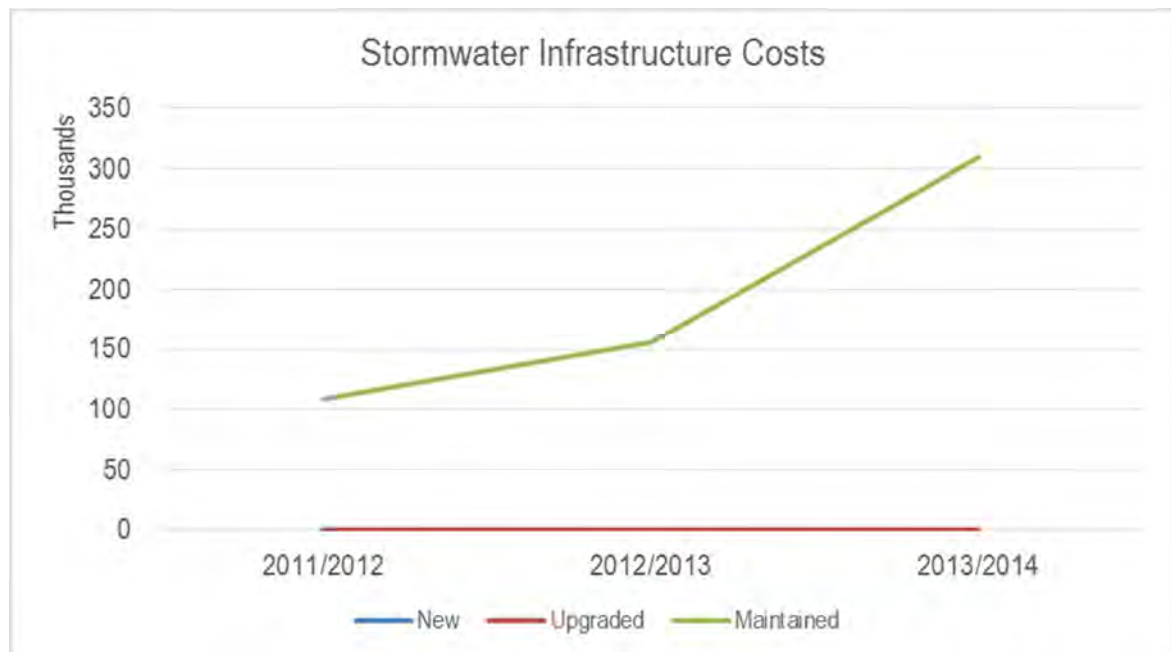
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Stormwater Infrastructure				Kilometres
	Total Stormwater measures	New stormwater measures	Stormwater measures upgraded	Stormwater measures maintained
2013/2014	24*	0*	0.2 ⁹	24

Table 52: Stormwater Infrastructure

Cost of Construction/Maintenance				R' 000
	Stormwater Measures			
	New	Upgraded	Maintained	
2011/2012	0	0	108	
2012/2013	0	0	156	
2013/2014	0	0	309	

Table 53: Cost of Construction/Maintenance



Graph 8: Stormwater Infrastructure Costs

⁹ Does not include new provided through the human settlements projects

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Stormwater Policy Objectives Taken From IDP											
Service Indicators	Outline Service Targets	Unit of Measurement	2011/2012		2012/2013		2013/2014		2014/2015	2015/2016	2016/2017
			Target	Actual	Target	Actual	Target	Actual	Target		
Develop a Storm Water Master-Plan	Develop a five-year master Storm Water Master-Plan to manage storm water networks in Knysna Municipality. The Storm Water Master-Plan will be approved by Council every five years with 2016/2017 being the first year and will be reviewed annually. For 2016/2017	Number	1	0	-	-	-	-	-	-	1

Table 54: Stormwater Policy Objectives Taken From IDP

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Employees: Stormwater Services						
Job Level	2011/2012	2012/2013	2013/2014			
	Employees	Employees	Posts	Employees	Vacancies (fulltime equivalents)	Vacancies (as a % of total posts)
19 - 20	0	0	0	0	0	0%
16 - 18	0	0	0	0	0	0%
13 - 15	0	0	0	0	0	0%
10 - 12	0	0	0	0	0	0%
7 - 9	1	1	1	1	0	0%
4 - 6	0	0	0	0	0	0%
0 - 3	1	1	2	1	1	50%
Total	2	2	3	2	1	33%

Table 55: Employees: Stormwater Services

Financial Performance Year 2013/2014: Stormwater Services						
R'000						
Details	2011/2012	2012/2013	2013/2014			
	Actual	Actual	Original Budget	Adjustment Budget	Actual	Variance to Budget
Total Operational Revenue	-	-	-	-	-	-
Expenditure:						
Employees	1 247	971	1 284	1 143	1 079	(16)%
Repairs and Maintenance	122	156	300	300	309	3 %
Other	1 122	935	700	700	780	11 %
Total Operational Expenditure	2 490	2 062	2 284	2 143	2 168	(5)%
Net Operational Expenditure	2 490	2 062	2 284	2 143	2 168	(5)%

Table 56: Financial Performance Year 2013/2014: Stormwater Services

Capital Expenditure						
R' 000						
Projects	Original Budget	Adjustment Budget	Actual Expenditure	Variance from original budget	Variance from Adjusted budget	Total Project Value (2013/14 - 2015 /16)
Total All	200	200	164	(18%)	(18%)	1 200
Rehabilitate central business district (CBD) stormwater system	200	200	164	(18%)	(18%)	200
Upgrade stormwater infrastructure				-	-	1 000

Table 57: Capital Expenditure: Stormwater Services

COMPONENT C: PLANNING AND DEVELOPMENT

This component includes: planning; building control and integrated human settlements.

3.10 PLANNING

Integrated Strategic Development Framework

Objectives of the ISDF

The Integrated Strategic Development Framework (ISDF) has largely become the strategic policy direction which Knysna Municipality is going to pursue in terms of future development of the area. Development within the Greater Knysna Municipal Area is currently guided by the following strategic documents:

- Spatial Development Framework;
- Economic Development Strategy;
- Human Settlement Plan ; and
- Environmental Management Framework

However, each of the abovementioned documents in itself has certain limitations, and they are not adequately aligned to one another. More importantly, they were all developed at the stage when the Knysna municipal area was in the middle of an unsustainable economic boom, fuelled by a property development bubble at the time. The economic downturn since 2008 has completely changed the environment in which the municipality operates and has necessitated a fundamental re-evaluation of the strategic plans of the municipality.

The socio-economic character in Knysna, Sedgefield, Rheenendal, Karatara and the surrounding settlements have changed significantly in the last decade and the lived reality can be summarised as follow:

- Businesses are and have been closing down at a terrible rate, both in town and in the industrial area;
- There are fewer jobs for more people;
- No one is very happy with the level of services they are getting and service delivery protests are happening frequently;
- Knysna Municipality is one of the most expensive places in the Western Cape to live in respect of rates and service charges
- Economic heartbeat of Knysna was based on the timber industry–
 - exploitation of forests and plantations;
 - processing of raw materials; manufacturing of furniture;
 - selling and export of products;
- The scenic beauty of the area paved the way for a lucrative tourism industry, retirement villages, holiday homes, lifestyle accommodation, etc;
- The move of the main processing plant to George and structural changes in the timber industry took away the economic base; and
- The bursting of the property bubble left the town with only the retirement, holiday and tourism industries



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Knysna Municipality similarly to Bitou is situated on the natural migration route from more economically and socially stressed areas to arguably better living conditions. The property bubble from the turn of the millennium also resulted in significant population growth resulting in increasing pressure on service delivery and infrastructure development. The collapse of the economy means that the municipality has to depend disproportionately on residential property rates. The number of holiday homes in the area which stand empty for most parts of the year means that the municipality has to maintain expensive high quality infrastructure but do not get adequate income for it. The hilly topography makes service delivery and development costs extremely expensive.

In order to ensure a co-ordinated and integrated approach to development planning and development management, the municipality has decided to review all these key planning documents in one integrated exercise that will produce an Integrated Strategic Development Framework (ISDF). This ISDF must be developed in such a way that either the document as a whole or discreet components of it will satisfy all the statutory requirements related to the component parts. The ISDF process will not replace the Integrated Development Plan (IDP) of the municipality but will rather constitute a combined suite of sector plans within the IDP. As such it is important to recognise that the ISDF should comprise a detailed, implementation oriented output, as opposed to a high level policy output. The ISDF will be regarded as the longer term development strategy of the municipality and the 5 year IDP's will form the building blocks for implementation of the strategy.

The ISDF can be regarded as the over-arching long term strategy that will shape the future of the municipality, the different towns and settlements under its jurisdiction. It is intended to be dynamic, working, realistic action plan which is packaged in a number of programmes and projects supported by appropriate policies and implemented by a number of stakeholders. It will also identify opportunities to stimulate the economy in such a way that it attracts new investment to the area as well as diversify the local economy. The ISDF is expected to suggest solutions for infrastructure and human settlement patterns that will facilitate a vibrant business sector which subsequently will generate much needed sustainable job opportunities.

The core focus of the ISDF will be to develop a future Knysna that promotes:

- Local living – Social development, affordable housing, infrastructure investments and future planning;
- Smart living – Education, International university, Trade School;
- Productive living – Knowledge economy, investment and infrastructure;
- Natural living – Environment, recycling, renewable industry; and
- Connected living – ICT, neighbourhood connectivity, transport infrastructure

The objective of this project is to develop an Integrated Strategic Development Framework for Knysna Municipality which incorporates the review, integration and alignment of the Spatial Development Framework, the Economic Development Strategy, the Human Settlement Plan as well as the Strategic Environmental Assessment. Using a holistic and integrated approach to planning and development that harnesses the resources and skills of all stakeholders in a uniform and coherent manner the ISDF must produce a single coherent strategic document that encompasses detailed, action and implementation oriented sector plans that are fully compliant with all legislative and policy requirements. These sector plans are to be situated within the purview of the Integrated Development Plan (IDP) of Knysna Municipality.

Progress of the ISDF

The roll-out of the ISDF process started in all earnest in September 2013 with the appointment of Knysna Creative Heads Consortium as the consultant team for the project. A series of public

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participation processes have been embarked on and ran parallel with the IDP review process. Communication platforms with all relevant stakeholders were established in the form of the following cafés:

- CONNECTION CAFÉ: *get information from stakeholders and share ideas.*
- WORKSHOP CAFÉ : *series of focused workshops with stakeholders representing particular sectors in society*
- DATA CAFÉ: *data collection through interviews*
- ONLINE CAFÉ: www.isdf.co.za (ONGOING)
- ROAD CAFÉ: *public engagements which co-incided with IDP Review public participation process*
- EXPO CAFÉ: *all findings through the different engagements are being exhibited at strategic times*

The institutional arrangements for the ISDF processes have been established and is fully functional. A comprehensive Terms of Reference for the ISDF process has been drafted which guides the functioning of the external steering committee who oversees this process. The steering committee acts as an advisory and administrative body on which the following groups are represented:

- Management of Knysna Municipality
- National Government Sector Departments
- Provincial Government Sector Departments
- Adjoining municipalities
- Chambers of business in the GKMA
- Tourism authorities in the GKMA

The internal steering committee ensures that all the internal departments in the municipality facilitates the smooth flow of information required and provides technical insight in the respective components of the ISDF.

The first milestone for the ISDF process have been reached in November 2013 with the completion of the Status Quo report which included the following components:

- Stakeholder engagement
- State of the environment
- Economic profile
- Human settlement
- Urban design and planning
- Basic Services and Infrastructure (water, sanitation, waste management, electricity)

The consultant team is currently embarking on the opportunity identification phase of the project and a draft report in this respect is expected in April 2014.

Spatial Development Framework (SDF)

Legal Framework

Recent case law, e.g. Johannesburg v Gauteng Development Tribunal, Lagoon Bay, Clairisson's and finally the Habitat Council case, some of which went to the Constitutional Court, indicate that the primary responsibility for land use management and consideration of applications lies with local government. Until 04 August 2013 (Habitat Council case) the planning authority in the Western Cape vested ultimately with the Provincial Government, in terms of the Land Use Planning Ordinance, 1985, Ordinance 15 of 1985 (LUPO). This long awaited and much applauded clarification of the

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Constitutional functions of the local sphere of government has numerous implications for all municipalities.

Spatial Planning and Land Use Management Act, 2013 (Act No. 16 of 2013)

The new Spatial Planning and Land Use Management Act, 2013 (Act No. 16 of 2013) (SPLUMA) was promulgated on 5 August 2013.

Institutional Organization: SPLUMA further intends to address the failures of the “old order” planning ordinances and legislation, the majority of which predate 1994. SPLUMA intends to create a coherent regulatory framework for spatial planning and land use management, amongst others by legislating actions to ensure justice and equity in the application of spatial development planning and land use management systems. Amongst others SPLUMA requires Spatial Development Frameworks (SDF's) to be completed by all three spheres of government for respectively, the country, a province or a municipal area. The process of compiling SDF's becomes an involved process in which local government places a central role, primarily because it must provide the data / information for the planning.

SDF's will form the basis of all future decisions in terms of the SPLUMA and they will be taken by tribunals, which are non-political / technical bodies, established in terms of Section 35 of SPLUMA. It broadly determines that a municipality or municipalities jointly, must constitute a Planning Tribunal to consider all land use planning applications. The SPLUMA prescribes the membership of tribunals, which consists of no less than five members, with no councillors in attendance. Councils now become the appeal authorities. These tribunals are the sole responsibility of the municipalities, who must bear the cost of the meetings and the administration relevant thereto.

Every municipality must develop and/or adopt a Municipal Planning By-Law, which can be a unique document specific to the municipality, or a general one, based on a model that is being prepared by the Western Cape Government for the Western Cape Municipalities. By-laws will forthwith determine the procedural and administrative aspects of land use planning and management, instead of the Provincial Regulations. In the interim, Section 44 of LUPO has been amended with the effect that the MEC for Local Government, Environmental Affairs and Development Planning no longer considers the merits of land use planning matters or appeals. The Minister / MEC now only comments on and when appropriate concurs with a municipality's land use planning decision which subsequently means that appeals are thus decided by Council. The MEC will only consider the procedural aspects of the appeals and cases before him. Where a municipality has made a procedural error in dealing with the case, e.g. not following due process or not taking relevant information into account, the MEC will advise that the decision of the municipality be set aside and referred back to it for re-processing and re-consideration. No right of appeal will be established in such instance.

One of the consequences of the new planning legislation and processes is that a municipality now becomes legally accountable for decisions, i.e. an applicant or aggrieved party will no longer sue the MEC and add the municipality as a respondent. Instead, the municipality will be sued and it must provide for the costs and administration of such legal cases.

- Financial Implications of SPLUMA
 - Tribunal operational costs;
 - Legal costs;
 - Planning and Land use management bylaws;
 - Human resources.

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Development Principles: One of the main objectives of this act is to provide a framework for spatial planning and land use management to address past spatial and regulatory imbalances. The act sets out the following 5 main development principles applicable to spatial planning, land use management and land development:

- (a) Spatial justice (improved access to and use of land with an emphasis on informal settlements and disadvantaged communities);
- (b) Spatial sustainability (protection of prime and unique agricultural land, development in locations that are sustainable, limit urban sprawl and creation of viable communities);
- (c) Efficiency (optimizing the use of existing resources and infrastructure)
- (d) Spatial resilience (allow for flexibility in spatial plans)
- (e) Good administration.

Municipal SDF: Section 21 of the Act provides a detailed description of information to be included in a municipal SDF, including:

- a 5 year and long term (10 – 20 year) spatial vision, structuring and restructuring elements, housing demand, planned location and density of future housing projects,
- identify areas for inclusionary housing, population growth, economic trends and infrastructure requirement estimates for the next 5 years,
- environmental assessment, identify areas for incremental upgrading, capital expenditure framework and
- include and implementation plan.

Western Cape Land Use Planning Bill,

This Bill is in the process of being finalised and is in line with SPLUMA. It is anticipated that the Bill will be approved by the Western Cape Government during April 2014 and that soon thereafter will the new Western Cape Planning and Development Act will replace the Land Use Planning Ordinance.

Policy Guidelines

Western Cape Spatial Development Framework,

The Western Cape Provincial Spatial Development Framework (WCPSDF) was approved as a structure plan during 2009 is currently being reviewed to be in line with SPLUMA. The Western Cape's new PSDF 2014 applies the following spatial principles:

- I. Spatial Justice;
- II. Sustainability and Resilience;
- III. Spatial Efficiency;
- IV. Accessibility;
- V. Quality and Livability.

Review of the Knysna Spatial Development Framework (SDF)

Knysna Municipality's Spatial Development Framework (SDF) was approved by Knysna Council in 2007 in terms of the Municipal Systems Act (MSA). Between 2009 and 2011 Knysna Municipality engaged in the Built Environment Support Programme (BESP). The BESP is an initiative of the Western Cape Department of Environmental Affairs and Development Planning, in partnership with the Department of Human Settlements, in terms of which support is provided to municipalities to improve the credibility of their SDFs and Human Settlement Plans (HSP's).

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The participation of the Municipality in the BESP process resulted in certain refinements to the SDF, as well as the identification of a number of additional components that are required to make the SDF a fully functional document. Some of these aspects include:

- The SDF should make explicit reference to how it is in line with over-arching planning documents. The SDF needs to “explicitly reflect how it aligns with the PSDF’s core objectives;
- Garden Route Environmental Management Framework should be included in addition to the GRI mapping data;
- The SDF doesn’t give enough detail as to how the settlements in the municipality relate to one another, nor how they compare with reference to a return on municipal investment;
- The SDF should have made greater reference as to how urban areas could be restructured so as to give greater access to jobs/amenities to poorer communities;
- The SDF did not adequately tackle the issue of land reform;
- The SDF should have had better focus on priority areas for densification;
- The SDF did not adequately address the need to protect viable agricultural resources; and
- Include a draft densification study in the SDF.

SDF Review Process

The review of the Spatial Development Framework (SDF) of Knysna Municipality will form the basis of the ISDF process and form a core component of the IDP in terms of the Municipal Systems Act (Act No. 32 of 2000). The preparation of the new SDF has commenced as part of the ISDF process and the new SDF will incorporate the findings of the BESP on the existing SDF as well as the new 30 year vision for development and land use management in Knysna Municipality. The status quo phase of the new SDF was completed at the end of 2013. A thorough public participation process was followed and focus group meetings with interested and affected parties are on-going. The ISDF team is currently preparing key interventions and proposals for the SDF.

Initial findings of the status quo phase: Initial findings from the status quo phase of the SDF revision included:

- A current shortage of +/- 800 affordable / middle income housing units for the Knysna municipal area. Land has to be identified to address this housing need.
- A subsidized housing gap of approximately 4350 subsidized housing units between now and 2030;
- South Africa National Parks (SANParks) is a very important role player within the Knysna Municipal Area. SANParks regards the whole of the Knysna Municipal Area as a buffer area for the Garden Route National Park. From discussions with officials from SanParks they indicated that their strategic policies will not allow any more accommodation with the national parks. Accommodation facilities will in future have to be provided within the buffer areas surrounding the national parks. This could potentially have an implication of tourism land use policies, especially with regards to the provincial resort policy which makes it very difficult to provide tourism facilities outside urban areas. Knysna Municipality could potentially have their own tourism policy for rural areas with regards to accommodation in buffer areas which could differ and be in conflict with provincial policies. This issue needs to be raised for further discussion with SanParks and the Western Cape Department of Environmental Affairs and Development Planning.
- Need to identify structuring elements for the settlements in the Knysna Municipal area (nodes, corridors, etc.).
- Need to protect important plantations and forestry areas for future forestry purposes.

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- Need to improve urban and socio-economic integration in the Knysna Municipal Area. This could be achieved through provision of sport facilities and community facilities that could serve all inhabitants of urban settlements.
- There is large numbers of vacant land with approved, low density development rights that have not yet been implemented. The densification of these approved development sites have to be investigated.
- The settlements within the Knysna Municipal Area have very low densities. Areas suitable for densification have to be identified in the new SDF. The table below provides a summary of some areas within the municipal area:

Geographic Area	Average Density (units/ha)
Smutsville and Sizamile	26
Sedgefield Central	9
Rheenendal	18
Karatara	4
Knysna Northern Areas	20
Hornlee	12
Knysna Western Areas	3
Knysna Town	10

Table 58: Areas for suitable densification

Social facilities and amenities: CSIR standards as well as parameters provided by the Western Cape Government were used to assess the provision of public amenities and facilities for the municipal area. The provision of facilities was mapped from information received from Knysna Municipality, Department of Education, Knysna Education Trust; Department of Health and local knowledge. The provision of these facilities has been assessed in terms of accessibility (striking distance from the communities it serves) as well as the threshold of these facilities (i.e. number of dwelling units per facility). The provision of the facilities is spatially presented and the findings are summarised below:

Social facilities	Status quo	Future requirement
High Schools	High Schools are only located in Knysna and is generally overcrowded	Land needs to be secured for the establishment of 2 additional high schools in Knysna, 1 high school in Sedgefield and 1 high school in Rheenendal
Primary schools	Sedgefield primary schools are brimming on 93% capacity and the primary schools in Knysna at 58% capacity	With future population growth, future planning needs to be done for at least 1 additional primary school All the primary schools needs to accommodate at least 1 pre-primary school
Tertiary education facility	1 Community college has recently been established in Knysna and the TSIBA College in Karatara provides a limited number of accredited courses	Land has to be identified to establish a tertiary education facility
Health care facilities	Inadequate accessibility for residents of Sedgefield, Rheenendal and Karatara to district and provincial hospitals and ambulance services Portions of Ward 5 (Charlesford, Phantom Pass, Westford and Buffels Bay) have inadequate access to public clinics	Upgrading of existing hospital and clinic facilities
Libraries	Some areas have limited access to library facilities	Land to be identified to at least one additional library in the Knysna Northern Areas as well as Sedgefield

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Social facilities	Status quo	Future requirement
Sport facilities	Sport facilities only provide for limited sport codes and only caters for basic requirements	Additional sport facilities to be established in Wards 4,5,7 and 8
Community halls	In some wards no community halls exist	Land has to be identified for the establishment of community halls in Wards 5, 8 and 10

Table 59: Social facilities and amenities

The map below represents a graphical impression of the composite status quo map. As illustrated on the map, the municipality consists of two major nodal development areas. The town of Knysna is the primary node which acts a commercial and administrative centre for the Greater Knysna Municipal Area while Sedgefield is regarded as a secondary node which serves the commercial and administrative needs of the surrounding communities. Over and above the two identified nodes, the municipal area consists of two more hamlets, namely Rheenendal and Karatara and other areas with significant tourism potential.

The major structuring element around the nodes is the N2 National Road, and water bodies as well as the pre-determined urban edge which curbs the outward sprawl of these areas. The urban edge is also there to prevent leap-frog development over agricultural land. Decisions over what development is appropriate over what land are to a large extent directed by the fact of whether or not the land falls within an urban edge. Other structuring elements include access routes, regional corridors and scenic routes. The desired spatial form of the municipal area is summarised on this plan and the direction which development will take in the medium to long term is shown by means of directional arrows.

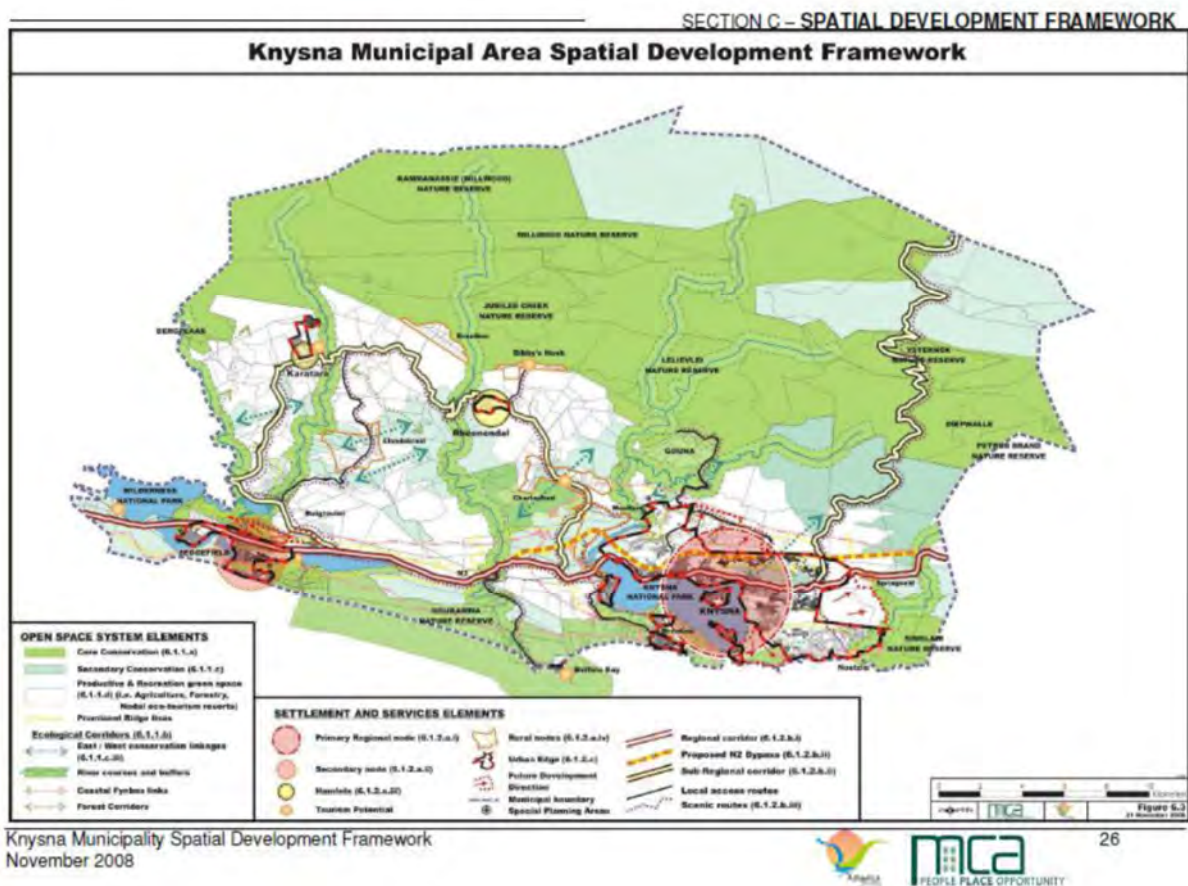


Figure 4: Knysna SDF Illustration

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Strategic Environmental Assessment (SEA)

In order to ensure that the Spatial Planning of the Knysna Municipal Area follows a sustainable development pathway and to adhere to the requirements of the 2001 IDP and Performance Management Regulations under the Municipal Systems Act (Act No. 32 of 2000), a Strategic Environmental Assessment (SEA) is being prepared as an integral part of the Knysna SDF Review process. In terms of Section 21(j) of the Spatial Planning Land Use Management Act (Act No. 16 of 2013) a SDF must include a Strategic Environmental Assessment (SEA). This strategy will identify the impacts of development on the natural environment and development future management frameworks to reduce associated environmental risks. The assessment will also include a Climate Change Adaptation Strategy for the town which will seek to find ways in which to adapt to the effects of climate change on an operational and strategic level.

The SEA can be defined as follows:

“SEA is a process to assess the environmental implications of a proposed strategic decision, policy, plan, programme, piece of legislation or major plan (White Paper on Environmental Management Policy for South Africa, 1998: 169)”.

The principles that underlie the SEA are listed below:

- SEA is driven by the concept of sustainability;
- SEA identifies the opportunities and constraints which the environment places on the development of plans and programmes;
- SEA sets the levels of environmental quality or limits of acceptable change;
- SEA is a flexible process which is adaptable to the planning and sectoral development cycle;
- SEA is a strategic process, which begins with the conceptualization of the plan or programme;
- SEA is part of a tiered approach to environmental assessment and management;
- The scope of an SEA is defined within the wider context of environmental processes;
- SEA is a participative process;
- SEA is set within the context of alternative scenarios; and
- SEA includes the concepts of precaution and continuous improvement.

The approach that is currently being followed in the preparation of the Strategic Environmental Assessment (SEA) as integral part of the SDF and ISDF process has the following elements:

- Screening;
- Stakeholder engagement;
- Scoping;
- Situational Analysis;
- Specialist Studies;
- Assessment of Environmental Effects and its Significance on the SDF;
- The Identification of Alternatives;
- Trade-offs; and
- Developing a Strategic Environmental Management Plan (SEMP).

As part of the ISDF Situational Analysis many of the elements have been prepared with continual stakeholder engagements. The assessment of SDF proposals within a sustainability framework will follow with the development of a Strategic Environmental Management Plan (SEMP) as an end result.

A status quo report has already been done for the SEA and is available on the consultants' website for viewing. A draft SEA will be available by the end of the 2013 financial year with the full report

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being made available in the middle of the 2014 financial year. A more structured and quantified development strategy which will take into account the environmental opportunity costs which come with development. It will also assist in demarcating agreed no-go areas which will be reserved for the conservation of the natural environment.

Rheenendal Local Area Structure Plan

As part of a hierarchy of plans under the SDF, the Knysna Municipality, in partnership with a local business, have embarked on a process to develop a comprehensive Local Structure plan for the Rheenendal Area. Currently the existing SDF does not provide any clear guidance for future land use in the Rheenendal area and a number of challenges are being experienced, which include the following:

- Historical industrial zoning rights for area surrounding the sawmill;
- Need for additional land for human settlement;
- Need for educational facilities;
- Various tourism initiatives;
- Decline in agricultural activities;
- Socio-economic decline of existing settlements;
- Urban and socio-economic integration of settlements; and
- Environmental Conservation

A draft status quo report was produced but this process was put on hold to be informed by the norms and principles of the ISDF. Once the proposals for the ISDF was completed, the proposals for the Rheenendal LASP can be finalised.

Preliminary findings for the Rheenendal LASP include:

- Need for alternative land uses on the old saw-mill site;
- Strong emphasis on tourism and tourism related activities;
- New proposed indoor, multi-purpose sport facilities for Rheenendal;
- Need additional land for affordable and subsidized housing;
- Need additional educational (secondary and tertiary) facilities; and
- Need to protect forestry and valuable agricultural land.

The response required by the SDF can be summarised as follows:

Response Required	Municipal Action	Progress	Timeframe
Review and updating of the SDF	Review and integrate the SDF, Economic Development Strategy HSP and the SEA through the ISDF process	Knysna Municipality is currently embarking on the ISDF process which will ensure better alignment and integration of the SDF, Economic Development Strategy, HSP and SEA	2014/2015
SDF to focus on main challenges facing municipality			
SDF to recommend future development potential	Identification of development nodes in the different areas of the municipality		2014/2015
SDF to make spatial provision for IDP and other development projects	Spatial mapping of short, medium and long term projects/programmes identified in the IDP		2014/2015

Table 60: Implementation of SDF

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Building Control

The day to day processing of building control applications has been made much more efficient, and the capacity to monitor and report on the process has been dramatically improved by the implementation of the Collaborator based electronic business process.

Applications for Land Use Development									
Detail	Formalisation of Townships			Rezoning			Built Environment		
	2011/2012	2012/2013	2013/2014	2011/2012	2012/2013	2013/2014	2011/2012	2012/2013	2013/2014
Planning application received	6	-	-	14	17	15	102	158	203
Determination made in year of receipt	3	-	-	3	9	6	72	146	179
Determination made in following year	3	-	-	11	4	7	30	12	24
Applications withdrawn	4	-	-	4	5	1	4	20	15

Table 61: Applications for Land Use Development

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Planning Policy Objectives Taken From IDP											
Service Indicators	Outline Service Targets	Unit of Measurement	2011/2012		2012/2013		2013/2014		2014/2015	2015/2016	2016/2017
			Target	Actual	Target	Actual	Target	Actual	Target		
Establishment of a Steering Committee for the development of the Integrated Strategic Development Framework	The indicator captures the establishment of the Steering Committee which will drive, guide and manage the ISDF process. The minutes are signed as an indication of approval and that they are an accurate reflection of the meeting.	Number	-	-	1	1	-	-	-	-	-
Development of a draft Integrated Strategic Development Framework (ISDF) and table first draft to Council	To develop an Integrated Strategic Development Strategy – which integrates the review of the Human Settlement Plan, Economic Development Strategy, Environmental Management Plan, Spatial Development Framework and the Rural Development Strategy	Number	-	-	-	-	1	1	-	-	-
Submission of final draft Integrated Strategic Development Framework (ISDF) to Council for approval	Submission of the Integrated Strategic Development Framework – which integrates the review of the Human Settlement Plan, Economic Development Strategy, Environmental Management Plan, Spatial Development Framework and the Rural Development Strategy	Number	-	-	-	-	-	-	1	-	-
Approval of building plans within 30 days for buildings less than 500m2 and 60 days for buildings larger than 500m2 after all information required is correctly submitted	Percentage of applications approved within statutory timeframes (30 – 60 days). The objective is to improve approval time of the applications. The approval of building plans is measured within the statutory timeframes of < 500 m2 (30 days) and > 500 m2 (60 days). Refer section A7 of the National Building Regulations Act (Act 103 of 1977).	Percentage	80	93	80	97	-	-	-	-	-
Processing of land use applications within 90 days after receipt of all outstanding and relevant information and documents	The indicator measures the percentage of applications processed within timeframes (90 days). The objective is to improve processing time of the applications. This is not a statutory timeframe, but one set as a target to expedite turnaround times for application.	Percentage	90	87	80	82	-	-	-	-	-
Participation in Land Use and Spatial Planning legislation development	Participate in provincial and national Land Use and spatial plan legislation development meetings	Number	-	-	-	-	4	6	-	-	-

Table 62: Planning Policy Objectives Taken From IDP

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Employees: Planning Services						
Job Level	2011/2012	2012/2013	2013/2014			
	Employees	Employees	Posts	Employees	Vacancies (fulltime equivalents)	Vacancies (as a % of total posts)
19 - 20	0	0	0	0	0	0%
16 - 18	0	0	2	2	0	0%
13 - 15	3	3	4	3	1	25%
10 - 12	5	5	7	5	2	29%
7 - 9	1	1	2	2	0	0%
4 - 6	2	2	4	4	0	0%
0 - 3	0	0	0	0	0	0%
Total	11	11	19	16	3	16%

Table 63: Employees: Planning Services

Financial Performance Year 2013/2014: Planning Services						
R'000						
Details	2011/2012	2012/2013	2013/2014			
	Actual	Actual	Original Budget	Adjustment Budget	Actual	Variance to Budget
Total Operational Revenue	1 891	1 351	1 976	1 976	2 567	30 %
Expenditure:						
Employees	4 924	5 297	6 472	6 279	5 852	(10)%
Repairs and Maintenance	-	-	-	-	0	-
Other	1 222	1 037	589	568	392	(33)%
Total Operational Expenditure	6 145	6 334	7 061	6 847	6 243	(12)%
Net Operational Expenditure	4 254	4 984	5 085	4 871	3 676	(28)%

Table 64: Financial Performance Year 2013/2014: Local Economic Development Services

3.11 LOCAL ECONOMIC DEVELOPMENT (INCLUDING TOURISM AND MARKET PLACES)

Economic Development

Economic Development Strategy

The Municipality's approach to economic development is in the process of adaptation and refocusing. Essentially the municipality aims to identify the competitive advantage of the municipal area and develop strategic initiatives to facilitate the optimization of investment opportunities to promote sustainable economic growth and employment creation. Economic development is seamless which prompted Knysna Municipality to partner with the district municipality as well as neighbouring local municipalities in terms of economic development initiatives. Eden District Municipality has developed its own LED and Growth Development strategies which have an impact on the Greater Knysna Municipal Area. The District also prepared a "fact file" which must be considered when Knysna Municipality embarks on LED initiatives.

The municipality is in the process of reviewing its Economic Development Strategy as part of the ISDF process and will certainly re-evaluate its approach towards facilitating economic growth in the

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area. The review process will focus on exploring feasible economic development opportunities in the GKMA, the effective and continued implementation of economic development strategies, programmes and feasible interventions. The key issues that the revised Economic Development Strategy seeks to address include the stimulation of economic growth, alleviation of poverty through sustainable job creation, skills development as well as the diversification of the economic base for effective investment. The review process will take cognizance of the following pillars to stimulate economic development in the Greater Knysna Municipal Area:

- Increased Accessibility
- Infrastructure Investment
- Wealth Creation
- Broadening Economic Base
- Attracting Visitors and Investors
- Conducive LED Environment

The table below indicates the various economic development initiatives planned for the IDP cycle:

Developmental Programme	Municipal Action	Progress	Timeframe
Establishment of adequate institutional capacity for Economic Development	Establishment of a well-resourced Economic Development unit in the municipality	Done	2013/2014
Review the Economic Development Strategy	Incorporates the review of the Economic Development Strategy in the ISDF process	In Progress	2013-2014
Implementation of the reviewed Economic Development Strategy	Refining the project implementation plan	Will commence as soon as the ISDF process have been completed	Annually
Market engagement with potential funding organisations/developers/other stakeholders	Identification of potential funding organizations and develop and submit business plans	On-going process	2014-2017
Place marketing and destination marketing	Developing a business plan for Knysna Tourism to market Knysna as a place of investment and business activity especially in the tourism industry	Business plan has been completed to support business development in the area	2014/2015
Ensure that SMME's are being supported through strategic interventions	SMME Incubator programme	On-going process	2014/2015
	Small business support	On-going process	2014/2015
	Show casing "one-of-a-kind" hand made products of the Garden Route area	The first OAK Garden Route multi-day exhibition is current being planned	2014/2015
Investment strategy	To ensure that the Economic Development Plan addresses the issue of strategic investment initiatives.	To be implemented as soon as the ISDF process have been completed	2015/2016
Improved broadband connectivity	Master planning to improve WiFi internet connectivity which will facilitate growth in the IT related and dependent sectors	Busy with broad band master plan to develop the necessary fiber and WiFi network to become a catalyst for economic development	2015/2016
Facilitate rural development	Establishment of a CRDP node at Rheenendal and Karatara	Non-profit organisations have been established in Rheenendal and Karatara to serve as the Council of Stakeholders for the implementation of the CRDP programme	2014/2015

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Developmental Programme	Municipal Action	Progress	Timeframe
	Establishment of a hydroponics project focusing on agricultural beneficiation as an economic driver for the community	Municipal property has been allocated to establish a hydroponics facility in Karatara	2015/2016
Skills Training	Plans to address skills development through training and mentorship programmes	On-going process	2014/2015
Providing opportunities for informal traders to become economically active	Reviewing of Informal Trader's Policy Upgrading of Informal trading sites	Policy is currently under review Part of CBD revitalisation programme	2015/2016
Optimising the economic footprint of capital projects	Identify economic opportunities for local entrepreneurs with the implementation of infrastructure, housing and other developments in the area	On-going process	2014-2017
Job creation	Facilitate job creation through the implementation of the Expanded Public Works Programme (EPWP)	EPWP programme is currently in phase 3 and Fulltime equivalent job opportunities are created in the following sectors: Infrastructure, Social, Non-state and Environmental and Culture	2014-2017
Infrastructure for economic development	Revitalisation of the railway line between George and Knysna for freight and tourism purposes	Enter into a Private-Public-Partnership initiative to re-open the railway line between Knysna and George	2015-2017

Table 65: Five Year Planned Development Initiatives

Economic Activity by Sector				
Sector	2012		2013	
	GDP as a %	GDP growth rate	GDP as a %	GDP growth rate
Agriculture, forestry and fishing	4.8	-1.8	4.8	2.4
Mining and quarrying	0.2	-0.2	0.2	0.2
Manufacturing	11.9	-0.6	11.7	0.5
Electricity and water	1.5	9.8	1.5	0.5
Construction	12.4	3.4	12.5	3.7
Wholesale and retail trade	24.4	4.9	24.5	3.2
Transport and communication	5.5	1.9	5.5	2.8
Finance, and business services	24.5	4.3	24.5	2.8
Community, social and other personal services	5.8	3.1	5.8	2.8
General government services	9.0	5.4	9.0	2.7
Total	100.0	3.4	100	2.7

Table 66: Economic Activity by Sector

Economic Employment by Sector Formal and Informal Employment		
Sector	2012 Percentage Distribution	2013 Percentage Distribution
Agriculture, forestry and fishing	5.2	5.2
Mining and quarrying	0.5	0.3
Manufacturing	8.6	8.5
Electricity and water	0.3	0.3

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Economic Employment by Sector Formal and Informal Employment		
Sector	2012 Percentage Distribution	2013 Percentage Distribution
Construction	12.1	11.7
Wholesale and retail trade	30.7	31.1
Transport and communication	3.1	3.0
Finance, and business services	14.1	14.5
Community, social and other personal services	14.0	14.1
General government services	11.5	11.3
Total	100	100

Table 67: Economic Employment by Sector

Jobs Created during Year 2012/2013 by LED Initiatives (Excluding EPWP projects)				
Total Jobs created / Top 3 initiatives	Jobs created	Jobs lost/displaced by other initiatives	Net total jobs created in year	Method of validating jobs created/lost
	No.	No.	No.	
Total (all initiatives)	2 172	0	2 172	Project Manager Feedback
2010/2011	51	0	51	Project Manager Feedback
2011/2012	72	0	72	Project Manager Feedback
2012/2013	1 759	0	1 759	Project Manager Feedback
2013/2014	290	0	290	Project Manager Feedback

Table 68: Jobs Created during Year 2013/2014 by LED Initiatives (Excluding EPWP projects)

Job creation through EPWP projects		
Details	EPWP Projects No.	Jobs created through EPWP projects No.
2012/2013	11	1 636
2013/2014	54	1 847

Table 69: Job creation through EPWP projects

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Local Economic Development Policy Objectives Taken From IDP											
Service Indicators	Outline Service Targets	Unit of Measurement	2011/2012		2012/2013		2013/2014		2014/2015	2015/2016	2016/2017
			Target	Actual	Target	Actual	Target	Actual	Target		
Comprehensive Rural Development Programme (CRDP)	Rheenendal and Karatara rural wards have been identified and activated as Comprehensive Rural Development Wards as part of Department of Rural Development's CRDP initiative. The purpose of the programme is to harness all resources from various sources to provide key interventions to enable economic development within these rural settlements.	Number	-	-	1	1	-	-	-	-	-
Formulation of draft development plans for Rheenendal and Karatara CRDP nodes	Rheenendal and Karatara rural wards have been identified and activated as Comprehensive Rural Development Wards as part of Department of Rural Development's CRDP initiative. The purpose of the programme is to harness all resources from various sources to provide key interventions to enable economic development within these rural settlements. Development plans in this regard will be drafted.	Number	-	-	-	-	2	2	2	-	-
Submit draft policy on informal trading to Council	The Knysna Municipality recognises informal trading as a positive development in the micro business sector as it contributes to the creation of jobs and has the potential to expand further the Knysna Municipality's economic base. The Knysna Municipality recognises its responsibility towards informal traders as part of their ED strategy and wishes to embody this in this policy. In order to encourage economic growth this sector has to be encouraged to develop from survivalist to more formal business enterprises. It is generally understood that different levels of trading exist within the Informal Trading sector namely Level 1: Survivalist Trading (Makes sufficient income to sustain trader and family), Level 2: Informal Trading (Makes sufficient to support personal and family needs but is also able to operate on a profit basis) and Level 3: Formal Trading (Has a fixed location and is run on formal business principle). The policy aims to guide the municipality in facilitating the movement of traders through these levels. In addition the policy will guide the municipality in the management of the municipal land on which the trading takes place.	Number	-	-	1	1	-	-	-	-	-

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Local Economic Development Policy Objectives Taken From IDP											
Number of Expanded Public Works Programme (EPWP) job opportunities created	This indicator measures the number of work opportunities created through the Expanded Public Works Programme (EPWP). An EPWP work opportunity is paid work created for an individual on an EPWP project for any period of time, within the employment conditions of the Code of Good Practice for Special Public Works Programmes.	Number	-	82	500	1 316	550	1 867	1 300	1 400	1 500
Number of Expanded Public Works Programme (EPWP) job opportunities created	Number of Expanded Public Works Programme (EPWP) job opportunities created for youth and woman.	Number	-	-	400	767	420	1 695	1 200	1 300	1 400
Develop a Place Marketing Strategy	To submit to Council for approval a marketing and investment plan, possibly including investment incentives, with the objective of promoting the utilisation of vacant serviced sites for commerce and industry	Number	-	-	-	-	1	1	1	-	-
Identification and implement of two SMME (economic) development projects for emerging contractors	Ensure that SMME's are identified and supported through strategic municipal interventions.	Number	-	-	-	-	-	-	2	-	-

Table 70: Local Economic Development Policy Objectives Taken From IDP

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Employees: Local Economic Development Services						
Job Level	2011/2012	2012/2013	2013/2014			
	Employees	Employees	Post	Employees	Vacancies (fulltime equivalents)	Vacancies (as a % of total posts)
19 - 20	0	0	0	0	0	0%
16 - 18	0	0	0	0	0	0%
13 - 15	0	1	1	1	0	0%
10 - 12	2	2	2	2	0	0%
7 - 9	0	0	0	0	0	0%
4 - 6	3	3	3	3	0	0%
0 - 3	0	0	0	0	0	0%
Total	5	6	6	6	0	0%

Table 71: Employees: Local Economic Development Services

Financial Performance Year 2013/2014: Local Economic Development Services						
R'000						
Details	2011/2012	2012/2013	2013/2014			
	Actual	Actual	Original Budget	Adjustment Budget	Actual	Variance to Budget
Total Operational Revenue	2	268	1 250	1 250	1 035	(17)%
Expenditure:						
Employees	618	1 135	1 431	1 431	1 785	25 %
Repairs and Maintenance	-	-	-	-	-	-
Other	371	594	1 757	1 757	1 499	(15)%
Total Operational Expenditure	989	1 729	3 187	3 187	3 284	3 %
Net Operational Expenditure	987	1 461	1 937	1 937	2 249	16 %

Table 72: Financial Performance Year 2013/2014: Local Economic Development Services

Capital Expenditure						
R' 000						
Projects	Original Budget	Adjustment Budget	Actual Expenditure	Variance from original budget	Variance from Adjusted budget	Total Project Value (2013/14 - 2015 /16)
Total All				-	-	500
Informal trading stalls construction				-	-	500

Table 73: Capital Expenditure: Local Economic Development Services

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COMPONENT D: COMMUNITY AND SOCIAL SERVICES

This component includes: libraries; museums and heritage; community halls; cemeteries; child care; aged care; social programmes, sport and parks.

3.12 LIBRARIES; MUSEUMS AND COMMUNITY FACILITIES

Libraries

The Knysna Town library has recently been expanded and significantly modernised with financial assistance from provincial government and the Municipal Infrastructure Grant (MIG). This service is operated on an agency agreement with the Provincial Government; strategic consideration will be required for any further expansion of the library service. The municipality also utilises the wheelie wagon library service effectively to reach out to remote rural areas that fall within the GKMA.

Service Statistics - Libraries			
Type of service	2011/2012	2012/2013	2013/2014
Number of Libraries	11	11	11
New library service points or Wheelie Wagons	1	0	0
Library members	28 788	30 183	30 079
Books circulated	366 969	349 683	342 792 ¹⁰
Exhibitions held	120	96	105
Internet access terminals	21	10	15
Children programmes	480	504	487
Visits by school groups and crèches	212	276	225
Primary and Secondary Book Education sessions	63	65	67

Table 74: Service Statistics - Libraries

Multi-purpose Centres

MIG funding has been secured to investigate the establishment of a multi-purpose centres as part of the Thusong programme of the Provincial Department of Local Government. A preliminary feasibility study was been done on potential sites identified in wards 1 (Smutsville-Sizamile), 4 (White Location) and 5 (Rheenendal), as depicted in the tabled below. The outcome of this preliminary feasibility study indicated that the facility should be placed in White Location. However, the other two areas' halls will also be upgraded and further developed.

¹⁰ There has been a decline throughout the province attributed to the decline in number of new books purchased by province versus new libraries established due to budgetary constraints. As well as teething problems associated with the new computerised record management system resulting in inaccurate record keeping

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WARD	LOCATION	SERVICE AREA
1	Smutsville	This Centre will service the communities of Smutsville, Sizamile, Sedgefield, Karatara as well as possibly Kleinkrantz which forms part of neighbouring George Municipality. There is a hall in the area which can be upgraded.
4	White Location	This location is preferred by the municipality because it is centrally located within Knysna, which is regarded as a primary growth and development node. It is on the western side of the Northern Areas and provides a wonderful opportunity to breakdown the spatial barriers between communities. The largest concentration of people in the Greater Knysna Municipal Area reside in this predominantly poor community and most of them require easy access to most government services
5	Rheenendal	The availability of suitable land for the development of a Centre prompted the municipality to identify this location. It will service the areas of Karatara, Rheenendal and possibly Sedgefield. There is a community hall and a community service centre where services are provided.

Table 75: Feasibility study areas for Thusong centres

The following well-maintained Libraries; Museums and Community Facilities are available in the GKMA

Libraries	Museums	Community Halls
Knysna Town Library	Old Gaol	Hornlee Community hall
Sedgefield Town Library	Millwood House	Chris Hani Hall (Dam se Bos)
Rheenendal Library		Khayaletu hall
Leisure Isle Library		Knysna Town Hall
Karatara Library		Brenton Hall
Masifunde Library (Concordia)		Rheenendal Community Hall
Rudolf Bali (Concordia)		Karatara Community Hall
Khayaletu Library		Smutsville Community Hall
Hornlee Library		Sedgefield Town Hall
Smutsville Library		Cearn Hall (Leisure Isle)
Fairview (Wheelie Wagon)		

Table 76: Libraries; Museums and Community Facilities

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Libraries; Museums; Community Facilities; Other Policy Objectives Taken From IDP											
Service Indicators	Outline Service Targets	Unit of Measurement	2011/2012		2012/2013		2013/2014		2014/2015	2015/2016	2016/2017
			Target	Actual	Target	Actual	Target	Actual	Target		
Feasibility Report on the establishment of 3 Multi-Purpose Centres.	The Multi-Purpose centres will serve as centres for the use of the broader community providing clustered multifunctional community facilities.	Number	-	-	3	3	-	-	-	-	-
Completion of one Multi-purpose centre	Completion of Multi-Purpose Centre in: <ul style="list-style-type: none"> • Smutsville (2014/2015) • Rheenendal (2015/2016) • White Location (2016/2017). 	Number	-	-	-	-	-	-	1	1	1
Design approval of upgrade to the Knysna library from 500 m2 to approximately 946 m2	To provide additional floor space to cater for the increased number of patrons. Additional to comply as far as possible within physical limitations with provincial library service's norms and standards which stipulate that 'for every 1000 persons, a floor space of 100 square meters is required for the library to operate optimally'	Number	-	-	1	1	-	-	-	-	-
Develop and submit a library outreach strategy.	Indicator Definition To define the vision and to clarify the purpose of the library outreach programs and projects.	Number	-	-	1	1	-	-	-	-	-
Develop a Library Customer Relations Policy.	Indicator Definition Clarify and standardise the routine operational procedures of the library, especially as they relate to the borrowing privileges of the patrons.	Number	-	-	1	0	-	-	-	-	-
Compile a master maintenance plan for all municipal buildings	The master maintenance plan for all municipal buildings to be commenced during 2012/13 will be used as a guide to determine budget requirements for refurbishment as well as repairs and maintenance required to optimise the condition of the buildings. Refurbishment relates to replacement of assets. Maintenance relates the actions required for an asset to achieve its expected useful life and repair relates to fixing of assets. Planned maintenance includes asset inspection and activities as required by the plan at the time it is required. Repairs are actions undertaken to restore an asset to its previous condition after failure or damage. Expenses on maintenance and repairs are considered operational expenditure and are expensed in a single financial year if possible.	Number	1	0	1	1	-	-	-	-	-

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Libraries; Museums; Community Facilities; Other Policy Objectives Taken From IDP										
Appointment of Interns to the Youth Advisory Centres	<p>Appointments of youth advisory interns to fulfil the following functions:</p> <ul style="list-style-type: none"> Assist in implementing programmes provided by the Youth Desk Market the Youth Desk in all areas of the community Provide information on all products and services for the Youth Mobilize young people to actively participate in youth development activities in the community Assist with planning, organizing and co-ordination of various events focussed on the youth Create working relations with other youth organisations and structures, NGO's and faith based organisations. Assist clients with basic computer skills, entrepreneurship development and job preparation (CV writing and interview skills) 	Number	-	-	-	-	4	4	-	-
Identification and implementation of five social projects	Five social programs to be identified and progress reported to Council.	Number	-	-	-	-	-	-	5	-

Table 77: Libraries; Museums; Community Facilities and Other Policy Objectives Taken From IDP

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Employees: Libraries; Archives; Museums; Galleries; Community Facilities; Other						
Job Level	2011/2012	2012/2013	2013/2014			
	Employees	Employees	Posts	Employees	Vacancies (fulltime equivalents)	Vacancies (as a % of total posts)
19 - 20	0	0	0	0	0	0%
16 - 18	0	0	0	0	0	0%
13 - 15	2	2	2	2	0	0%
10 - 12	8	6	11	10	1	9%
7 - 9	8	8	7	6	1	14%
4 - 6	34	34	36	30	6	17%
0 - 3	7	12	15	13	2	13%
Total	59	62	71	61	10	14%

Table 78: Employees: Libraries; Museums; Community Facilities and Other

Financial Performance Year 2013/2014: Libraries; Museums; Community Facilities and Other						
R'000						
Details	2011/2012	2012/2013	2013/2014			
	Actual	Actual	Original Budget	Adjustment Budget	Actual	Variance to Budget
Total Operational Revenue	1 244	1 967	9 102	9 102	10 201	12 %
Expenditure:						
Employees	5 846	6 309	7 292	6 814	7 132	(2)%
Repairs and Maintenance	347	383	494	393	351	(29)%
Other	3 643	3 886	1 971	2 039	2 794	42 %
Total Operational Expenditure	9 836	10 578	9 757	9 247	10 277	5 %
Net Operational Expenditure	8 592	8 611	655	145	75	(88)%

Table 79: Financial Performance Year 2013/2014: Libraries; Museums; Community Facilities and Other

Capital Expenditure						
R' 000						
Projects	Original Budget	Adjustment Budget	Actual Expenditure	Variance from original budget	Variance from Adjusted budget	Total Project Value (2013/14 - 2015 /16)
Total All	10 099	9 986	10 022	(1%)	0%	18 087
Extension to Town Library	4 990	5 477	5 270	6%	(4%)	5 477
Multi-purpose Centre Rheenendal	1 653	126	2 817	70%	2 129%	3 025
Multi-purpose Centre Smutsville	2 681	4 208	1 760	(34%)	(58%)	7 625
Multi-purpose Centre White Location	775	175	175	(77%)	-	1 228
Total of sundry projects				-	-	732

Table 80: Capital Expenditure Year: Libraries; Museums; Community Facilities and Other

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3.13 CEMETERIES

There are eight cemeteries in the GKMA which are being maintained on a regular basis. The Knysna cemetery is currently running out of space and a new cemetery for Knysna is critical with only about 1 000 grave sites still available. A major challenge for the establishment of a new cemetery is the lack of available land. A Record of Decision (ROD) was issued by the Department of Environmental Affairs and Development Planning but has expired and negotiations to review that ROD are in progress. The municipality is currently also exploring the expansion of the Rheenendal Cemetery. Cremation should also be explored as a means to dispose of bodies.

In order to keep the cemeteries in a clean and neat condition a maintenance plan has been implemented. The maintenance plan includes the cutting of grass and the cleaning of these sites on a weekly basis. To ensure that graves are provided in time or as requested certain days have been identified for the digging of graves. The cutting of grass at the Knysna cemeteries by a service provider has been also been phased out and is now done by our own staff. Council has also a burial rebate system in place to assist the underprivileged who cannot afford the burial charges.

Service Statistics - Cemeteries			
Type of service	2011/2012	2012/2013	2013/2014
Cemeteries	8	8	8
Funerals	308	305	351
Rebates awarded	67	65	67
Pauper burials	25	11	16

Table 81: Service Statistics - Cemeteries

Employees: Cemeteries						
Job Level	2011/2012	2012/2013	2013/2014			
	Employees	Employees	Posts	Employees	Vacancies (fulltime equivalents)	Vacancies (as a % of total posts)
19 - 20	0	0	0	0	0	0%
16 - 18	0	0	0	0	0	0%
13 - 15	0	0	0	0	0	0%
10 - 12	0	0	0	0	0	0%
7 - 9	1	1	1	1	0	0%
4 - 6	0	0	0	0	0	0%
0 - 3	7	8	8	8	0	0%
Total	8	9	9	9	0	0%

Table 82: Employees: Cemeteries

Financial Performance Year 2013/2014: Cemeteries						
Details	2011/2012	2012/2013	2013/2014			
	Actual	Actual	Original Budget	Adjustment Budget	Actual	Variance to Budget
Total Operational Revenue	222	201	211	211	253	20 %
Expenditure:						
Employees	1 030	972	1 130	1 130	1 133	0 %
Repairs and Maintenance	51	37	129	92	61	(53)%
Other	394	460	196	216	154	(22)%
Total Operational Expenditure	1 474	1 469	1 455	1 438	1 348	(7)%
Net Operational Expenditure	1 252	1 268	1 244	1 227	1 095	(12)%

Table 83: Financial Performance Year 2013/2014: Cemeteries

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Capital Expenditure						
						R' 000
Projects	Original Budget	Adjustment Budget	Actual Expenditure	Variance from original budget	Variance from Adjusted budget	Total Project Value (2013/14 - 2015 /16)
Total All				-	-	1 620
New Cemetery Knysna				-	-	1 620

Table 84: Capital Expenditure Year: Cemeteries

COMPONENT E: ENVIRONMENTAL PROTECTION

This component includes: pollution control; biodiversity and landscape; and coastal protection.

3.15 POLLUTION CONTROL

Impact of Pollution and Waste

Despite efforts to maintain the cleanliness of the town, particularly in close proximity to the estuary, forests, seashore and other conservation areas, it must be emphasized that any pollution within the urban area will ultimately impact upon the estuary as it is eventually carried along streams and storm water channels that terminate in the estuary. Similarly, the natural water courses, storm water channels and groundwater may be polluted from a number of human-induced factors. These can be summarized as follow:

- Informal settlement areas having limited or no access to adequate toilet and waste water disposal systems
- Leaks and blockages in sewer infrastructure or sewer pipes are often in close proximity to storm water pipes
- Private septic tank units leaking or not operating effectively
- Operation failure and constraints at waste water treatment plants
- Illicit disposal of chemicals in storm water system or natural watercourses and
- Leaks and contamination from industrial and business activities
-

The Knysna Estuary Pollution Control Committee was formed in 2009 and comprised of the South African National Park, Eden District Municipality and Knysna Municipality. After a serious incident at the Knysna Waste Water Treatment Works in 2011, the committee was resurrected and reformed with weekly meetings, definitive goals, a council-approved implementation plan with adequate financial resources coupled to it. A highly regarded aquatic and estuary specialist was appointed to advise the committee. SANParks, being the custodians of the estuary from the high water mark inwards, sample the deep channel and Eden District Municipality samples strategic inlets entering the lagoon while Knysna Municipality pays for the sampling and implements any other operational directives from the committee within its constitutional mandate.

The main focus of the committee is to monitor, through water sampling and other methods, the pollution levels of water entering the lagoon bearing in mind that it is used for recreational and as a food source. By design, most storm water drains discharge into the estuary together with the 8 mega

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litre a day Waste Water Treatment Works sitting 100 metres from the estuary. Through directives from the committee, studies have been commissioned with some currently underway which lead to a better understanding of the different sources of pollution entering the estuary. Through this, programmes have been put in place to reduce known levels of pollution.

In 2012, Council approved a R68 million budget in the Knysna Pollution Prevention Programme to run over multiple years. Some of the funds had been grant funding for the upgrade of the Waste Water Treatment Works and from the Access to Basic Services programme run by the Department of Human Settlement. The programme focused on:

- An Access to Basic Services programme introduced in 2012 which saw the construction of approximately 750 ablution facilities thus assisting in reducing human waste in the rivers which drain the estuary;
- Culverts, sumps and drains are cleaned on a regular basis as they are the conduits of pollution into the estuary;
- An increase in the number of sampling points as well as the frequency thereof;
- A bacteria warning system for recreational users in the designated recreational areas;
- Planning of sampling information on the municipal website on a monthly basis or as when sampling results become available; and
- The use of the EPWP environmental conditional grant to provide more reliable refuse collection and cleaning services to otherwise inaccessible areas which drain into the estuary.

Air Quality Management

Knysna's geographic location in a basin means it is sensitive to air pollution as can be seen by the 'inversion layer' of fog which at times is present over the estuary and CBD. In the town's more industrial past the presence of timber factories producing smoke and soot may have reduced air quality. Nowadays there are fewer industries which obviously resulted in less emissions which are mostly and confined to the industrial area higher above the town and less likely to be 'trapped' within the basin.

An increase in traffic, particularly heavy vehicles, does mean more vehicular emission which has a negative air quality impact, however this is by no means unique to Knysna and the concern is limited relative to the number of vehicles in more populated areas. Some impoverished households within Knysna do still rely on open fires for heating and cooking which also contributes towards atmospheric pollution even though it is on a very small scale. The hazardous safety and health risk is a bit greater because some residents actually light these fires inside their homes without adequate ventilation. Knysna Municipality participated in the development of a district-wide Air Quality strategy with Eden District Municipality. The Air Quality Strategy has been completed and approved by council.

Knysna Municipality will pursue the vision and mission of the AQMP through a series of nine objectives (listed below), each aimed at supporting the air quality management plan compiled for EDM.

- Objective 1: Set Air Quality Goals
- Objective 2: Set Up Air Quality Management System
- Objective 3: Carry Out Risk Assessments
- Objective 4: Assess and Select Control Measures
- Objective 5: Implementation Of Intervention and Monitoring Effectiveness
- Objective 6: Revise Air Quality Goals
- Objective 7: Integrated the AQMP into the IDP
- Objective 8: Compliance Monitoring

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- Objective 9: Review the Air Quality Management Plan

To meet the requirements of both the AQA and National Framework extensive steps were taken to inform the public of the AQMP review process and to solicit comments as widely as possible. Advertisements of the two public meetings were published in local newspapers, details of the process were given to the Air Quality Forum members, all industries, rate payers associations, NGOs, etc. Ample opportunity was, therefore, given to the public in general to comment on any and all of the reports.

By appointing an air quality officer, Knysna has already formalised the air quality management function in its area. A summary of the AQMP done in conjunction with Eden District Municipality is available on the Knysna Municipality website at www.knysna.gov.za

Section 15 (1) of the National Environmental Management Air Quality Act (39 Of 2004) makes the development of an Air Quality Management Plan a statutory requirement and the sole objective of the plan is to assess the state of air quality within the region.

With the promulgation of the National Environmental Management: Air Quality Act 17 the focus of air quality management shifted from source control to management of pollutants in the ambient environment through air quality management planning. Exposure to ambient air pollutants can cause a range of significant effects on quality of life such as offensive odors, irritation of eyes, the upper respiratory system and skin, and acute and long-term toxic effects.

The actions required can be summarised as follows:

Response Required	Municipal Action	Progress	Timeframe
Improved Air quality	Developing an Air Quality Management Plan in conjunction with Eden District Municipality	The Air Quality Management Plan has been completed and duly adopted by Council 5 August 2013.	2013/14
SWOT	Conduct a SWOT analysis and develop actions to address the challenges	Comprehensive SWOT Analysis has been incorporated in the adopted Air Quality Management Plan	
Programmes to improve air quality	Implementation of programmes and projects to improve air quality	Action plan for the implementation of air quality programmes and projects is incorporated in the Air Quality Management Plan	2014 - 2017

Table 85: Implementation of Air Quality Management Plan

Environmental Degradation

The development pressures on sensitive land in town and surrounding areas ultimately may lead to environmental degradation. Amongst the most serious issues over and above those of pollution already mentioned are vegetation clearing and earthwork activities within areas identified for their rich biodiversity, and the impact of invasive alien species that are driving out endemic plant species and choking watercourses. The municipality constantly monitors and attempts to mitigate any clearing of conservation-worthy plants as with exposing of large areas of soils, excavation or infilling which presents erosion risks and silt being carried into the estuary. There are also a number of initiatives underway for the identification of areas highly impacted by invasive plant species and the managed control thereof.

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Pollution Control Policy Objectives Taken From IDP											
Service Indicators	Outline Service Targets	Unit of Measurement	2011/2012		2012/2013		2013/2014		2014/2015	2015/2016	2016/2017
			Target	Actual	Target	Actual	Target	Actual	Target		
Submit Estuary Pollution Plan to Council by December 2012	The indicator measures the submission of an item to Council setting out the Estuary Pollution Plan in order to get Council's approval for the plan.	Number	-	-	1	1	-	-	-	-	-

Table 86: Pollution Control Policy Objectives Taken From IDP

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3.16 BIO-DIVERSITY; OPEN SPACES AND COASTAL PROTECTION

ENVIRONMENTAL MANAGEMENT

Environmental Management

The vision of Knysna Municipality, “Where people and nature prosper” underlines the commitment of the Council in ensuring that the conservation of our natural resources is of paramount importance. The municipality is fortunate to be located within a major national park, the Garden Route National Park which makes conservation much easier to achieve, even though the municipality is not directly involved in the daily management of the park. Through the Outeniqua Sensitive Coastal Area Regulations, the municipality is able to ensure that conservation is achieved on a small scale level as it has to process applications for the removal of flora in certain listed areas. To this end, the municipality has developed a system which keeps track of all in the listed and gazetted properties on a monthly basis.

Through continuous monitoring, updating of by-laws and municipal policies, the Municipal Department of Environmental Management is able to instil a culture of sustainable development which will ensure that the vision of Knysna Municipality is being realised. Eco-tourism is an essential element in the strategy to promote the Knysna region as a sought after tourist destination. Some of the major tourist attractions are the lagoon/estuary and the pockets of indigenous forest under protection which also serve as part of the industrial component of the economy of Knysna through the timber sector. There are many environmental goods that play a major role in the socio-economics of Knysna and it is in the interest of the municipality to conserve these resources for the continued sustenance of its inhabitants.

The major environmental challenges include risks from flooding and droughts, wild fires, poaching, landslides, rock falls, alien vegetation infestation, land degradation, water pollution, visual pollution and deforestation. Through collaboration with various stakeholders the municipality has a number of programmes and strategies that aim to reduce environmental risks, amongst them being:

- The Working for water programme
- The Working on Fire Programme
- Estuary Pollution Management Programme
- A Climate Adaptation Strategy is being developed to find tools to adapt to the challenges posed by climate change
- Working for the Coast Programme administered by the South African National Parks
- The Knysna River Health Programme
- The Knysna Adopt-A-River Programme
- The Knysna Coastal Management Programme currently under development

The map provides the best available scientific information regarding the biodiversity resources in Knysna Municipality that need to be retained in the long-term. This is to ensure the maintenance of healthy eco-systems which are fundamental to the wellbeing of people since nature provides human kind with food, clean water and many other tangible and intangible benefits, sometimes referred to as eco-system services.

The Critical Biodiversity Areas layer represents sites identified as Critical Biodiversity Areas (CBAs) through the systematic assessment conducted by the C.A.P.E Fine-Scale Biodiversity Planning

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(FSP) project. Taken as a whole (terrestrial plus aquatic CBAs), these represent the sites required to meet biodiversity pattern targets and ecological process objectives. The Critical Ecological Support Areas: Aquatic layer represents aquatic sites identified as Critical Ecological Support Areas (CESA's) through the systematic assessment conducted by the C.A.P.E Fine-Scale Biodiversity Planning (FSP) project. CESA's include both the aquatic feature as well as the required buffer area surrounding the aquatic feature.

The Other Natural Areas layer represents all natural areas that have not been recognized as Critical Biodiversity Areas (aquatic and terrestrial), Ecological Support Areas (critical and other) or National Protected Areas but are also not considered to be irreversibly transformed (No Natural Remaining Areas). It can include natural, near natural or degraded lands (South African National Biodiversity Institute 2011).

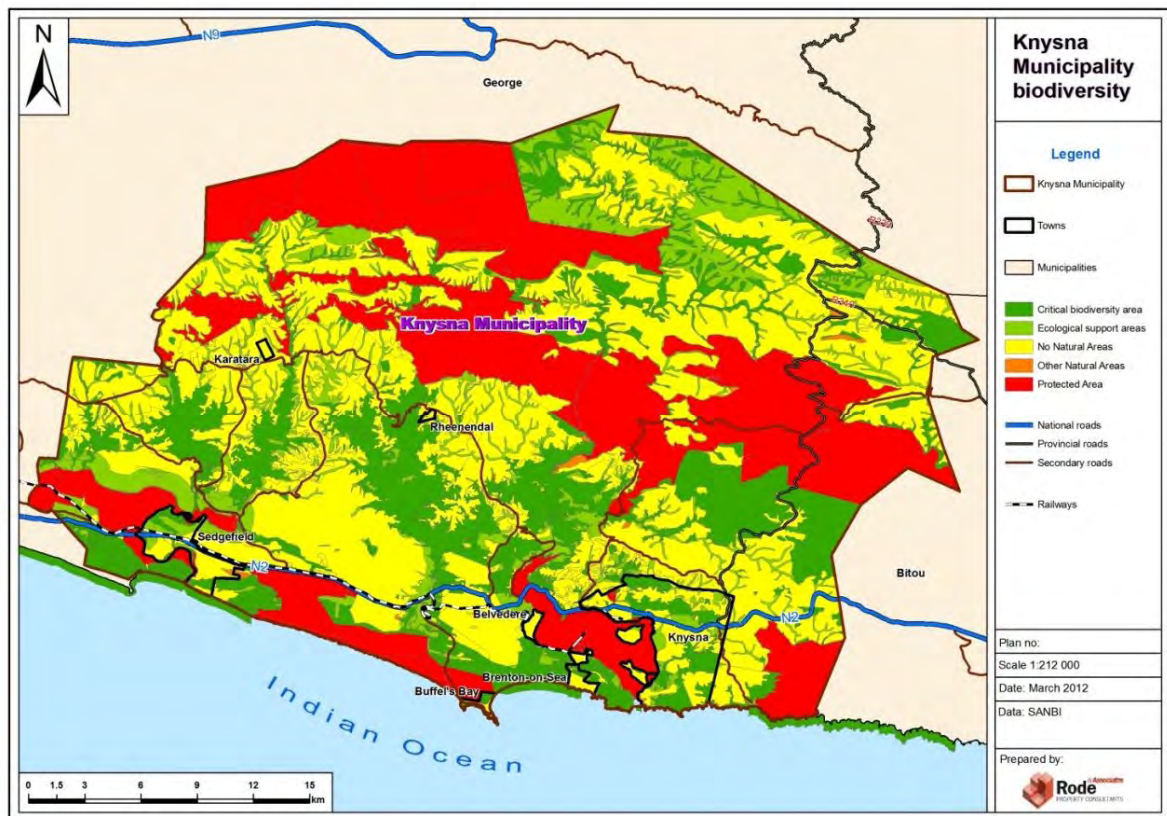


Figure 5: Biodiversity of Knysna Municipality

One of Council's strategic objectives is, to ensure ecological integrity through sustainable practices of municipal governance. This is achieved by ensuring that internal processes which have an effect on the environment are in with best practice operating procedures and legislation. In terms of its governance role as the relevant authority in assessing land use proposals, the municipality has in place systems which ensure that these ideals are realised. Every proposal, regardless of size, is carefully scrutinized for compliance before it may go ahead.

There are a number of tools which are used to achieve the abovementioned strategic objective, amongst them being, structured strategic stakeholder engagements and collaborations, by-laws aimed at ensuring compliance and instilling a sense of responsibility in the citizenry, environmental education outreach programmes aimed at various sectors of the population, the use of various grant funding vehicles to implement some of the programmes.

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Environmental Conservation is of great significance in the socio-economic fabric of Knysna and its surroundings simply the whole existence of Knysna rests on its natural resources. From its earliest inhabitants, the Qoena and the Houteniqua to the current cosmopolitan population, the natural resources have provided the basis for human habitation. The only thing that has changed is the focus areas and the beneficiation of natural resources. In the early years of westernisation, the indigenous vegetation, namely the timber provided the impetus for the changes in the socio-economic outlook of Knysna. Since 2009, the role of the primary natural resource has since diminished to some extent both in terms of employment and contribution to the GDP of the town. Regardless of these changes, environmental conservation is extremely significant as it still is the main attraction for the other sectors of the economy to relocate here.

The value chain of the natural resources in Knysna is connected directly and indirectly to environmental conservation. The Knysna estuary, the indigenous forest and the pristine coastline sprinkled with an abundant wildlife which seems to have adapted to human encroachment are the reasons why business people relocate their businesses here. The tranquil small town feeling of Knysna is a key attraction for specialised tertiary economic sectors to relocate here. The town is enveloped by the Garden Route National Park, of which the estuary forms a part of, and is the main tourist attraction. It can be deduced from the fact that development has been restricted along the estuary mainly due to efforts from the environmental conservation sector. The contribution of the tourist industry in Knysna cannot be ignored. The tourists come for the natural beauty of the area, their stay ensures more employment opportunities for local residents.

Fundamental challenges in terms of Environmental Management include the following:

- It is a difficult task to balance economic development with environmental conservation at the same time. The municipality faces a lot of pressure from private developers who contribute to the economy through further development. The municipality will then have increased rates as well as capital contributions from new developments. The approval of more developments has the potential to change Knysna into a carbon copy of other towns and thus lose its tourist appeal. New developments have the potential to drastically change the area spatially into a sterilised manicured urban outpost.
- The provision of housing poses a big threat to environmental conservation in Knysna as more land has to be made available for these developments. Due to the shortage of suitable land for development, more indigenous forest areas will have to be removed to make way for housing. It is quite difficult to make environmental conservation a top priority for low or no income citizens who are in dire need of shelter.
- National environmental legislation which is designed to protect the environment is still new in South Africa and this makes enforcement very difficult. There are no specific environmental by-laws which are designed for environmental conservation. The legal fraternity is still in the process of learning the prosecution of environmental crimes which makes current issues and programmes difficult to implement.

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IMPACT OF CLIMATE CHANGE

Impact of Climate Change

Climate Change is increasingly elevated as a boiling point and big focus on the global agenda. The reason for this is that the world is very quickly experiencing the effect of this phenomenon on fundamental socio-economic indicators such as water, sanitation, food security, health, energy, industrial developments and human settlements. Knysna Municipality is no exception and it presents serious threats to the future of the town and its environs because of the sensitivity of the estuary to rising sea levels and the risk to development in low lying areas. Furthermore, changing rainfall patterns and extreme weather events have already had an impact on the town and environs in the past. Knysna has recently recovered from the worst drought on record requiring emergency augmentation and restriction measures to secure a supply of water for the growing population.

In the past five years floods have caused major damage to property and infrastructure and put lives at risk, most notable being the floods in Sedgefield which had a significant effect on financial and insurance arrangements of the affected households. Special attention to the susceptibility of Sedgefield is given in the Disaster Management Plan and a Joint Management Action Plan for the area has been developed by the authorities and community representatives.

The surrounding areas have also suffered major fires under hot and dry conditions. These issues not only affect the human population, but the endemic flora and the fauna are particularly susceptible to lasting changes in climate conditions. Over the long term this will lead to major loss of biodiversity. In Knysna some mitigation measures against the repercussions of climate change are already in place, ranging from restrictions to develop in areas at risk of flooding, and desalination equipment to secure a fresh water supply.

The consultants who are developing the Integrated Strategic Development Framework (ISDF) will also include a comprehensive Strategic Environmental Assessment as part of their brief. This strategy will identify the impact of development on the natural environment and development future management frameworks to reduce associated environmental risks. The assessment will also include a Climate Change Adaption Strategy for the town which will seek to find ways in which to adapt to the effects of climate change on an operational and strategic level.

A status quo report has already been done for the SEA and is available on www.knysna.gov.za for viewing. A draft SEA will be available by the end of the 2013 financial year with the full report being made available in the middle of the 2014 financial year. The SEA will provide a more structured and quantified development strategy which will take into account the environmental opportunity costs which come with development. It will also assist in demarcating agreed no-go areas which will be reserved for the conservation of the natural environment.

INTEGRATED COASTAL MANAGEMENT STRATEGY

Coastal management in South Africa is regulated by the Integrated Coastal Management Act (Act 24 of 2008), which aims to ensure that the coast of South Africa is managed in a manner which promotes risk aversion and the application of the precautionary principle. The municipality in collaboration with Eden District Municipality is in the process of developing a Coastal Management Strategy to give effect to the abovementioned legislation. The objective of this strategy is to ensure

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the integrated management and the sustainable use of the coastline through the implementation of the following intervention strategies.

- Management strategy;
- Administrative strategy; and
- Operational strategy.

The actions required can be summarised as follows:

Actions Required	Municipal Action	Progress	Timeframe
Coastal Management Plan	Develop plan in collaboration with Eden DM	Done	2012-2013
Empowerment of local communities to understand the value of preserving the coastline	Workshops with community stakeholders to enhance awareness of the Coastal Management Plan	First series of workshops will be scheduled before 30 June 2013	2013-2014

Table 87: Integrated Coastal Management Strategy

PARKS

The following well-maintained parks and recreational areas are available in the GKMA:

Play Parks	Number	Play Parks	Number
Cathy Park	1	Khayaletu	3
Dam Se Bos	1	Rheenendal	2
Flenters	1	Sedgefield	1
Hlalani	1	Smutsville	1
Hornlee	2	White Location	1
Karatara	2	Total	16

Table 88: Parks and recreational facilities location

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Bio-Diversity; Landscape and Other Policy Objectives Taken From IDP											
Service Indicators	Outline Service Targets	Unit of Measurement	2011/2012		2012/2013		2013/2014		2014/2015	2015/2016	2016/2017
			Target	Actual	Target	Actual	Target	Actual	Target		
<i>Participate in Provincial and District Climate Change planning processes by attending four meetings per year</i>	The indicator measures the number of meetings attended in order to participate in Provincial and District Climate Change planning processes	Number	-	-	4	4	-	-	-	-	
<i>Participate in the development of an Integrated Coastal Management Strategy and submit to Council</i>	Assist and collaborate with Eden District Municipality to develop an Integrated Coastal Management Strategy	Number	-	-	-	-	1	1	-	-	

Table 89: Bio-Diversity; Landscape and Other Policy Objectives Taken From IDP

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Employees: Bio-Diversity; Landscape and Other						
Job Level	2011/2012	2012/2013				
	Employees	Employees	Posts	Employees	Vacancies (fulltime equivalents)	Vacancies (as a % of total posts)
19 - 20	0	0	0	0	0	0%
16 - 18	0	0	0	0	0	0%
13 - 15	1	1	1	1	0	0%
10 - 12	0	1	1	1	0	0%
7 - 9	1	1	1	0	1	100%
4 - 6	0	0	0	0	0	0%
0 - 3	0	0	0	0	0	0%
Total	2	3	3	2	1	33%

Table 90: Employees: Bio-Diversity; Landscape and Other

Financial Performance Year 2013/2014: Bio-Diversity; Landscape and Other						
R'000						
Details	2011/2012	2012/2013	2013/2014			
	Actual	Actual	Original Budget	Adjustment Budget	Actual	Variance to Budget
Total Operational Revenue	-	-	-	-	3 908	#DIV/0!
Expenditure:						
Employees	881	920	1 057	1 057	1 025	(3)%
Repairs and Maintenance	-	-	-	-	-	-
Other	272	453	325	325	311	(4)%
Total Operational Expenditure	1 152	1 373	1 381	1 381	1 336	(3)%
Net Operational Expenditure	1 152	1 373	1 381	1 381	(2 571)	(286)%

Table 91: Bio-Diversity; Landscape and Other

Capital Expenditure						
R' 000						
Projects	Original Budget	Adjustment Budget	Actual Expenditure	Variance from original budget	Variance from Adjusted budget	Total Project Value (2013/14 - 2015 /16)
Total All	4 117	4 197	4 387	7%	5%	6 337
Dune Re-Establishment	4 117	4 117	4 308	5%	5%	4 117
Refurbish Parks Restroom	-	80	79	-	(1%)	80
Vehicle Replacements	-	-	-	-	-	2 140

Table 92: Capital Expenditure: Bio-Diversity; Landscape and Other

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COMPONENT F: HEALTH

This component includes: clinics; ambulance services; and health inspections.

3.17 HEALTH

This section of the profile highlights the current health infrastructure and human resource capacity in the public health sector and burden of disease in the Knysna municipal area. It is important to note that none of the functions listed in the heading are local municipal functions. Thus this report reflects on the provision of health services by the other spheres of government.

Access to health facilities

Municipality	Community Health Centres	Community Day Centres	Clinics	Satellite Clinics	Mobile Clinics	District Hospitals	Regional Hospitals	Total
Eden District	0	5	36	10	23	6	1	82
Kannaland	0	0	3	0	2	1	0	6
Hessequa	0	0	5	2	3	1	0	11
Mossel Bay	0	0	4	5	5	1	0	15
George	0	2	10	1	7	1	1	22
Oudtshoorn	0	1	5	0	3	1	0	10
Bitou	0	1	4	1	1	0	0	7
Knysna	0	1	5	1	2	1	0	10¹¹

Table 93: Health care facilities in located in Knysna

Health human resource capacity

A total of 9 doctors and 58 professional nurses have been employed by the Department of Health to render health services to patients attending the primary health care facilities in the GKMA. The health human resource capacity reflected herein does not include those who are in private practice in the region.

Knysna¹²	2009	2010	2011	2013
Primary Healthcare Doctors	2	2	2	2
Number of Doctors at District Hospitals	8	7	7	7
Primary Healthcare – Professional Nurses	21	19	19	19
Number of Professional Nurses at District Hospitals	35	39	39	39

Table 94: Knysna's Medical staff

Burden of disease

In 2013, Knysna had 6 anti-retroviral treatment (ART) service sites and 7 tuberculosis treatment (TB) clinics.

Municipality¹³	ART Patient load (June 2013)	Number of Anti-Retroviral Treatment (ART) Sites	Number of TB Clinics
Eden District	7 549	12	71
Kannaland Local Municipality	12	0	7
Hessequa Local Municipality	154	1	8

¹¹ Source: Western Cape Department of Health, 2014

¹² Source: Department of Health, 2014

¹³ Source: Western Cape Department of Health, 2014

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Municipality ¹³	ART Patient load (June 2013)	Number of Anti-Retroviral Treatment (ART) Sites	Number of TB Clinics
Mossel Bay Local Municipality	1 197	1	15
George Local Municipality	2 476	2	14
Oudtshoorn Local Municipality	591	1	13
Bitou Local Municipality	1 004	1	7
Knysna Local Municipality	2 115	6	7

Table 95: Knysna's burden of disease

The Western Cape Department of Health reported that in June 2013 that 2000 patients were receiving anti-retroviral treatment at the ART service sites located in Knysna. This accounts for approximately 20% of the total 7 549 HIV/Aids patients being treated with ART within the Eden District and accounts for the second largest HIV/Aids population in the region after George Municipality. ARV treatment in Knysna currently includes more than 90 children. A further 400 patients are known HIV positive, but are currently healthy enough not to require ARV medication at present. These patients are continuously being monitored and cared for in the HIV care or pre-ART programme. No waiting lists for ARV treatment exist in Knysna. ARV treatment is available at all Primary Health Care clinics in a nurse-driven doctor-supported model. Historically Knysna was one of the first towns to have an ART site, and this impacted on the prevailing statistics.

Although Knysna Municipality has an adopted HIV/Aids plan, adequate funding could not be allocated for the execution of this plan. The municipality will continue to solicit the participation of the Department of Health in this regard, recognising that this is the core function of this department. Prevention of Mother to Child Transmission is available at all clinics. This program is very successful and the transmission rate of HIV from pregnant women to their babies in Knysna in 2013 was only 1.2%

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Health Inspection and Etc. Policy Objectives Taken From IDP											
Service Indicators	Outline Service Targets	Unit of Measurement	2011/2012		2012/2013		2013/2014		2014/2015	2015/2016	2016/2017
			Target	Actual	Target	Actual	Target	Actual	Target		
Establish HIV/AIDS Forum Indicator	The objective of the Forum is to create awareness around the issue of HIV/AIDS in our community.	Number	-	-	-	-	1	1	1	1	1

Table 96: Health Inspection and Etc. Policy Objectives Taken From IDP

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COMPONENT G: SECURITY AND SAFETY

This component includes: police; fire; disaster management; licensing and control of animals; and control of public nuisances.

3.18 LAW ENFORCEMENT

The main priorities are:

- Law and order through operations and patrols in areas of jurisdiction
- Regulating traffic during peak season, times of unrest, during events, scenes of accidents and during disasters
- Speed enforcement
- Placement of permanent traffic officers in the outer nodes
- Safety and security officers on a daily basis in the outer nodes
- Attending to law enforcement infringements, particularly by-law contraventions
- Provision of life guards during peak season

Crime, safety and security

Section 12 of the Constitution stipulates that every person has the right to safety and security. As with health, many of the law enforcement responsibilities are intended to be undertaken by the Provincial and National authorities. However, increasingly the responsibility of law enforcement is becoming an unfunded mandate of Council.

The table below illustrates the number of crimes within selected crime categories that was reported to police stations located in Knysna over the period April 2010 to March 2013.

Crime Category ¹⁴	April 2010 to March 2011	April 2011 to March 2012	April 2012 to March 2013
CONTACT CRIME (CRIMES AGAINST THE PERSON)			
Murder	24	26	16
Total Sexual Crimes	139	205	183
Attempted Murder	15	8	15
Assault with the intent to inflict grievous bodily harm	502	426	471
Common Assault	359	448	507
Common Robbery	113	128	11
Robbery with aggravating circumstances	58	90	108
CONTACT RELATED CRIMES			
Arson	8	13	11
Malicious damage to property	255	315	299
PROPERTY RELATED CRIMES			
Burglary at non-residential premises	120	123	198

¹⁴ Source: SAPS 2013

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Crime Category ¹⁴	April 2010 to March 2011	April 2011 to March 2012	April 2012 to March 2013
Burglary at residential premises	843	917	934
Theft of motor vehicle and motorcycle	24	129	37
Theft out of or from motor vehicle	419	387	462
Stock theft	1	5	5
CRIMES HEAVILY DEPENDENT ON POLICE ACTION FOR DETECTION			
Illegal possession of firearms and ammunition	5	15	13
Drug-related crime	739	856	921
Driving under the influence of alcohol or drugs	418	445	335

Table 97: Crimes reported at the Knysna (WC) Police Precinct

The above crime statistics reveal that the incidence of murders investigated by the Knysna Police Precinct decreased by ten cases in 2013 than in the previous year. Sexual offences reported to the police decreased from 205 in 2012 to 183 in 2013 while drug related crimes shows a considerable increase in comparison with 2012. According to the Knysna Police Precinct the current priority crimes are household burglaries, theft from motor vehicles, assaults and drug related offences.

Knysna Municipality, in collaboration with the Community Police Forums, the South African Police Service and Provincial Department of Community Safety, embarked on the development and implementation of a Community Safety Plan to address crime challenges in the Greater Knysna Municipal Area. This plan can be regarded as a collaborative partnership to combat crime and establish a safer environment for the residents as well as the visitors to the area. During the public participation process it was quite apparent that communities and stakeholders want to see more visible and effective policing and have prioritised the establishment of SAPS service stations closer to crime infested areas.

The SAPS Cluster in the Eden District has conducted a comprehensive feasibility study for the establishment of additional police or satellite stations and the Northern Areas of Knysna feature quite strongly in this planning process. The municipality will certainly assist if land or premises are required for the establishment of police stations where possible. The SAPS has however indicated that plans for the establishment of a satellite police station in the Northern Areas of Knysna have been discontinued due to the lack of required financial resources.

The strategic objectives of Council focus quite strongly on ensuring a safe and secure environment for the people who live here as well as the visitors to the area. That is why the Knysna Municipality participates actively in the programmes and projects of SAPS, the Department of Community Safety, Community Police Forums and any other agency that aims to facilitate safety and security. Representatives from Knysna Municipality serve on the local Community Police Forums and joint crime prevention operations between the law enforcement department of the municipality, Provincial Traffic and the SAPS are done on a regular basis. The SAPS interact on a regular basis with the municipality to address factors that might hamper effective policing of crime which include street naming, house numbering, and installation of adequate lighting in crime hotspots, empty buildings and overgrown open spaces.

The Community Safety Plan defines clear roles and responsibilities between the respective authorities in respect of safety and security and it focusses on the effective implementation of the following joint national and local crime prevention campaigns:

- Child protection week

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- 16 Days of activism against violence against women and children
- International Drug Awareness Day (usually during youth month in June every year)
- Special focus on crimes against women and children, domestic violence and sexual offences (During women's month in August every year)
- Safer Schools Campaign (deployment of neighbourhood watch volunteers at schools where a high rate of incidents occur)
- Back to School Campaign (Assisting to get early school leavers back in the school system)
- Victim Support Programme
- Love your Car Initiative
- Substance abuse awareness programmes
- Implementation of holiday programmes with NGO's

Law Enforcement Service Data						
Details	2010/2011	2011/2012	2012/2013		2013/2014	
	Actual No.	Actual No.	Estimate No.	Actual No.	Estimate No.	Actual No.
Number of road traffic accidents during the year	1 110	1 172	1 104	938	Outside the control of the municipality therefore no estimate	1162
Number of by-law infringements attended	1 136	1 105	1 306	1 506		
Number of Law Enforcement officers in the field on an average day	4	4	8	8	13	10
Number of Law Enforcement officers on duty on an average day	3	3	6	6	8	9
Number of drivers licenses issued	3 193	2 824	6 232	4 100	4 500	2844
Number of learners licenses issued	4 932	4 065	3 241	2 755	2 800	4218
Number of Road signage erected	299	231	389	370	350	307

Table 98: Law Enforcement Service Data

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Law Enforcement Policy Objectives Taken From IDP											
Service Indicators	Outline Service Targets	Unit of Measurement	2011/2012		2012/2013		2013/2014		2014/2015	2015/2016	2016/2017
			Target	Actual	Target	Actual	Target	Actual	Target		
Develop a Law Enforcement Strategy and submit to Council	Develop a law enforcement strategy to improve law enforcement and policing regarding traffic and other violations.	Number	-	-	-	-	1	1	-	-	-
Traffic Safety Plan submitted to Council	<p>The Traffic Safety Plan is to be approved by Council. The aim of the plan is to assist the Municipality to fulfil its obligation to improve the safety of all traffic networks users in its area of jurisdiction.</p> <p>The TSP is to include specific focus on Rural and School Transport as well as Scholar Patrols.</p> <p>In addition the TSP must be aligned to the strategies, policies and operational practices of the Western Cape Provincial Government Department of Transport and Public Works.</p>	Number	-	-	-	-	-	-	1	-	-

Table 99: Law Enforcement Policy Objectives Taken From IDP

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Employees: Law Enforcement						
Job Level	2011/2012	2012/2013	2013/2014			
	Employees	Employees	Posts	Employees	Vacancies (fulltime equivalents)	Vacancies (as a % of total posts)
19 - 20	0	0	0	0	0	0%
16 - 18	0	0	0	0	0	0%
13 - 15	2	2	2	2	0	0%
10 - 12	13	12	19	18	1	5%
7 - 9	9	15	11	10	1	9%
4 - 6	5	6	6	6	0	0%
0 - 3	0	0	1	1	0	0%
Total	29	35	39	37	2	5%

Table 100: Employees: Law Enforcement

Financial Performance Year 2013/2014: Law Enforcement						
						R'000
Details	2011/2012	2012/2013	2013/2014			
	Actual	Actual	Original Budget	Adjustment Budget	Actual	Variance to Budget
Total Operational Revenue	7 730	14 028	11 418	11 418	45 483	298 %
Expenditure:						
Employees	8 671	10 123	9 132	9 909	10 822	19 %
Repairs and Maintenance	107	163	214	191	114	(47)%
Other	5 762	8 225	5 166	5 436	39 433	663 %
Total Operational Expenditure	14 540	18 511	14 512	15 537	50 369	247 %
Net Operational Expenditure	6 810	4 483	3 094	4 119	4 886	58 %

Table 101: Financial Performance Year 2013/2014: Law Enforcement

Capital Expenditure						
						R' 000
Projects	Original Budget	Adjustment Budget	Actual Expenditure	Variance from original budget	Variance from Adjusted budget	Total Project Value (2013/14 - 2015 /16)
Total All	1 300	1 659	1 654	27%	(0%)	2 079
Vehicles (new and replaced)	1 300	1 659	1 654	27%	(0%)	2 079

Table 102: Capital Expenditure: Law Enforcement

3.19 FIRE

There are three fire stations within the greater Knysna area and all are operational on a 24 hour basis. The Sedgefield station also operates an emergency response vehicle that has been used with great success in the Sedgefield and Karatara. Knysna Municipality does have an agreement with neighbouring municipalities where assistance is given during the event of emergencies. Due to the ever-increasing risk in the informal areas a new station will soon be required on the Eastern borders of the Municipal area.

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Fire Service Data					
Details		2011/2012	2012/2013	2013/2014	
		Actual No.	Actual No.	Estimate No.	Actual No.
1	Total fires attended in the year	546	479	Outside the control of the municipality therefore no estimate	425
2	Total of other incidents attended in the year	418	630		555
3	Average turnout time - urban areas	10 min	10min	10min	10min
4	Average turnout time - rural areas	10 min	10min	10min	10min
5	Fire fighters in post at year end	29	29	29	29
6	Total fire appliances at year end	8	8	0	9
7	Average number of appliance off the road during the year	0	0	0	2

Table 103: Fire Service Data

Employees: Fire Services						
Job Level	2011/2012	2012/2013	2013/2014			
	Employees	Employees	Posts	Employees	Vacancies (fulltime equivalents)	Vacancies (as a % of total posts)
19 - 20	0	0	0	0	0	0%
16 - 18	0	0	0	0	0	0%
13 - 15	1	1	1	0	1	100%
10 - 12	5	5	6	6	0	0%
7 - 9	10	10	11	10	1	9%
4 - 6	3	16	14	14	0	0%
0 - 3	0	0	0	0	0	0%
Total	19	32	32	30	2	6%

Table 104: Employees: Fire Services

Financial Performance Year 2013/2014: Fire Services						
R'000						
Details	2011/2012	2012/2013	2013/2014			
	Actual	Actual	Original Budget	Adjustment Budget	Actual	Variance to Budget
Total Operational Revenue	98	196	90	90	240	166 %
Expenditure:						
Employees	6 610	7 262	7 998	7 999	8 428	5 %
Repairs and Maintenance	126	114	62	79	116	88 %
Other	3 352	3 625	930	949	1 787	92 %
Total Operational Expenditure	10 088	11 001	8 990	9 026	10 331	15 %
Net Operational Expenditure	9 990	10 805	8 900	8 936	10 091	13 %

Table 105: Financial Performance Year 2013/2014: Fire Services

Capital Expenditure						
R' 000						
Projects	Original Budget	Adjustment Budget	Actual Expenditure	Variance from original budget	Variance from Adjusted budget	Total Project Value (2013/14 - 2015 /16)
Total All	800	710	688	(14%)	(3%)	2 210
Vehicle replacement	800	710	688	(14%)	(3%)	2 210

Table 106: Capital Expenditure: Fire Services

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3.20 OTHER (DISASTER MANAGEMENT, ANIMAL LICENCING AND CONTROL, CONTROL OF PUBLIC NUISANCES)

Disaster Management Plan

As per Section 53 (1) of the Disaster Management Act, 57 of 2005 each municipality must:

- prepare a disaster management plan for its area according to the circumstances prevailing in the area;
- co-ordinate and align the implementation of its plan with those of other organs of state and institutional role-players; and
- regularly review and update its plan; and through appropriate mechanisms, processes and procedures established in terms of Chapter 4 of the Local Government Systems Act, 2000 (Act No. 32 of 2000), consult the local community on the preparation or amendment of its plan.

Knysna Municipality has mostly partnered with the Eden District Municipality to develop a disaster management plan for its area of jurisdiction since 2008. The review and update of the current district level disaster risk assessment of the Eden District Municipality was completed in March 2013 by Disaster Risk Management (Pty) Ltd (DMS) on behalf of and with the support of the Provincial Disaster Management Centre. This study was undertaken with the aim of providing relevant Eden District managers and municipal role-players with a user-friendly working document focusing on pertinent risks in the Eden District. This plan has evolved over the past few years and subsequently the plan has been reviewed and amended to serve as a guiding policy on how the municipality will handle any type of disaster that might occur. When an unforeseen major event occurs which cannot be dealt with on our own, the Disaster Management Plan is activated to manage and mitigate the impact of the event where after partner government departments and service providers are approached for assistance. The costs for disasters are normally covered either by reprioritizing the budget or in terms of Sec 29 of the MFMA. The national disaster management framework provides for a phased approach to disaster risk management planning and implementation. It comprises three progressive steps from level 1 to a level 3 plan and currently Knysna Municipality operates on a level 2 Disaster Risk Management Plan

The disaster management plan of Knysna Municipality:

- forms an integral part of a municipality's Integrated Development Plan;
- anticipates the types of disasters that are likely to occur in the municipal area and their possible effect;
- places emphasis on measures that reduce the vulnerability of disaster-prone areas, communities and households;
- seeks to develop a system of incentives that will promote disaster management in the municipality;
- identifies the areas, communities or households at risk;
- takes into account indigenous knowledge relating to disaster management;
- promotes disaster management research;
- identifies and address weaknesses in capacity to deal with disasters;
- provides for appropriate prevention and mitigation strategies;
- facilitates maximum emergency preparedness; and
- contains contingency plans and emergency procedures in the event of a disaster.

A number of effective programmes have been implemented during the last financial year to address the above requirements, which include:

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- Awareness programmes to protect citizens from fires and floods
- Regular cleaning of the storm water channels
- Clean-up programmes of rivers and streams
- Fire and Rescue Department also does regular awareness programmes on fire prevention

The plan also makes provision for a number of risk management strategies which include:

- **Fires**
All fires to be dealt with in terms of the standard operating procedures. Risk reductions undertaken by regular inspection, awareness programs and the creation and maintenance of fire breaks.
- **Droughts**
Extreme droughts will be dealt with in terms of the Disaster Management Act. The risk reduction strategy includes a water demand management strategy and ongoing water use awareness campaigns.
- **Floods**
Procedures will be implemented in terms of the Disaster Management Plan. Preventative measures to reduce flooding include the clearing of storm water drains.
- **Major Incidents**
Major incidents which cannot be addressed with own personnel, tools and equipment will be managed with the support of Eden District Municipality in terms of the Disaster Management Protocol.
- **Hazardous Incidents**
To be dealt with in terms of the Disaster Management Plan, read with the Hazardous Substance Act.
Part of the mitigating factors include ensuring that the officials have the adequate equipment, clothing and training to deal with the hazard.
- **Pollution**
Pollution management is conducted in terms of relevant legislation. Risk reduction includes the implementation of awareness and educational programmes.
- **Climate Change**
Climate Change is a significant and lasting change in the statistical distribution of weather patterns over periods ranging from decades to millions of years. The Knysna area is one of the areas where significant impacts were recorded. The implication for the Knysna Municipality is that with the shift in seasonal periods there will be more unseasonal floods. It will be extremely difficult to predict “flooding periods”. This phenomenon has already been experienced in the region where flooding occurred out of “season”. The likely impact of climate change is that the region will experience change in rainfall patterns, including:
 - Less days of rain per annum ;
 - Increased intensity of rain fall in short periods of time; and
 - Deluges which implies a sudden local flood of great volume and short duration which exceeds local capacity quickly.

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- **Storm surges**
Sections of coast that do not have natural defences are vulnerable to storm surges. The majority of the region is at a moderate to high risk from extreme coastal events such as large storm surges and tsunamis. The regions most at risk include Still Bay, the Mosselbay area, Wilderness to Knysna area, and the Plettenberg Bay to Nature's Valley.
- **Severe Storms (strong winds)**
Severe storms are atmospheric disturbances usually characterized by strong winds, with rain, flash flooding, hail, thunder and lightning, in various combinations. Severe storms are localized events, usually affecting smaller areas than tropical cyclones and floods, so their devastating impact is often underestimated.

Financial resources remain a challenge in terms of disaster management, simply because a municipality can never budget for a disaster adequately. The Fire and Rescue Department of Knysna Municipality normally create a budget vote when a disaster occurs. Human resources capacity is also a concern, and a full-time Disaster Co-ordinator must be appointed to facilitate the public awareness, education and training programmes in order to enhance a pro-active approach towards disaster management

Disaster Management Analysis for Knysna Municipality

1. A hazard, Risk and Vulnerability Assessment (HRVA) has been performed:			
	Response		Comments
1.1 For the municipal area	Yes		The HRVA for the Eden District Municipality has been completed which in essence comprise an assessment for the GKMA as well The approved Disaster Management Plan and HRVA was conducted on historical data
1.2 For projects identified in the IDP		No	A HRVA for Knysna Municipality specifically will be completed in the next financial year in line with the approved Disaster Management Plan for all projects identified in the IDP review

2. The identified disaster risks have been prevented or mitigated through the implementation of risk reduction programmes:			
	Response		Comments
2.1 For the municipal area	Yes		One of the Standing Operating Procedures (SOP's) at the municipality which can be regarded as a risk reduction initiative is the regular cleaning of the storm water channels outside of the rainy season
2.2 For projects identified in the IDP	Yes		A partnership programme with Eden District Municipality is the opening of the Swartvlei river in order to prevent flooding

3. Appropriate disaster preparedness, response and recovery plans have been developed for a risk that cannot be prevented or mitigated:			
	Response		Comments
3.1 For the municipal area	Yes		
3.2 For projects identified in the IDP	Yes		

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4. The municipality has instituted the following disaster management requirements:			
	Response		Comments
4.1 Establishment of a functional Disaster Management Centre	Yes		No permanent disaster management center for Knysna Municipality has been established, but a Joint Operations Centre (JOC) is set up when any disaster occurs
4.2 Appointment of a Head of Centre		No	This is also done on an ad-hoc basis when somebody is tasked to take charge of the JOC
4.3 A functional Disaster Management Advisory Forum		No	The Eden District Disaster Management Advisory Forum are being utilized to engage with different stakeholders on a regular basis
4.4 A Disaster Management Plan (DM) has been developed	Yes		The DM plan has been reviewed and amended and will be adopted by Council during this period of IDP review
4.5 This plan does include sectorial plans	Yes		Geographic sectors for Knysna and Sedgefield form part of the Disaster Management Plan

5. Disaster Management has functional systems that complies with the following:			
	Response		Comments
5.1 GIS data for disaster management		No	Knysna Municipality is in a position to respond and assist with recovery in the event of natural disasters such as fires, floods or wind storms
5.2 Risk reduction planning	Yes		
5.3 Early warning system	Yes		
5.4 Preparedness, response and recovery planning (Generic Plan)	Yes		

6. These systems are linked to:			
	Response		Comments
6.1 Other line functions in the municipality	Yes		Structures and systems for disaster management are linked within the municipality but budgetary constraints prohibit Knysna Municipality from facilitating system linkages beyond that
6.2 Other municipalities		No	
6.3 Security forces (SAPS and SANDF)		No	
6.4 Provincial EMS		No	
6.5 Provincial Government Departments		No	
6.6 The National Disaster Management Centre		No	

7. The municipal Disaster Management Plan is completed, submitted and approved by:			
	Response		Comments
7.1 Other municipalities in the District Municipal area	Yes		

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7. The municipal Disaster Management Plan is completed, submitted and approved by:			
	Response		Comments
7.2 District Municipal Disaster Management Centre	Yes		
7.3 Provincial Disaster Management Centre	Yes		

8. Disasters dealt with during the past IDP Review cycle:		
Hazardous situation	Description	Response
Grounding of Ship	Kiani Satu: On 9 August 2013 the 164-metre bulk cargo ship Kiani Satu which was carrying 15 tons of rice and 330 tons of oil, eventually ran aground inside the Marine Protected Area of the Cape Nature –protected Goukamma Nature Reserve	By Friday morning 16 August, eight days later, the vessel had been picoted by 70 degrees and was facing the right direction. The ship finally was successfully towed off the sandbank at 11:30am on Saturday, nine days after her arrival. On 21 August 2013 SAMSA has given their assurance that the ship was too far and too deep to pose any significant environmental threat
Fires	On 8 December 2014 a fire in the informal settlement in Sedgfield	Fire has been contained with minimal damage to property and no loss of life
Extreme weather conditions	8 Augustus 2013 as well as 14-16 August 2013 heavy rainfall and wind conditions which affected a number of areas in the GKMA. 15-18 November 2013, flooding in certain areas within the Greater Knysna area with gale force winds	Provide temporary shelter for people whose homes have been flooded and relieve kits for distressed families

Table 107: Disaster Management Plan

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Disaster Management, Animal Licensing and Control, Control of Public Nuisances, etc. Policy Objectives Taken From IDP											
Service Indicators	Outline Service Targets	Unit of Measurement	2011/2012		2012/2013		2013/2014		2014/2015	2015/2016	2016/2017
			Target	Actual	Target	Actual	Target	Actual	Target		
Annually review and submission of the Disaster Management Plan	The purpose of the Disaster Management Plan (DMP) is to enhance the capacity of the Municipality to prevent and to deal with disaster and to avoid developments which are subject to high risk of disaster. The DMP is seen as the information guide to the relevant role players. It advises the role players how to lead in case of a disaster to prevent or at least mitigate negative effects on the Greater Knysna. The DMP will be the basis to establish procedures which will assure maximum and efficient utilisation of all resources in and around the Greater Knysna area to minimize the loss of life and/or injury. With a comprehensive DMP, Knysna Municipality will be better prepared to support the local communities in dealing with disasters and to speed up the recovery process. It is crucial to have effective and efficient disaster risk management in order to save lives, prevent escalation of emergencies and incidents and relieve suffering.	Number	1	1	1	1	1	1	-	-	-
Complete a Hazard, Risk and Vulnerability Assessment and submit to Council	A Hazard, Risk and Vulnerability Assessment (HRVA) will be completed in line with the approved Disaster Management Plan	Number	-	-	-	-	-	-	1	-	-

Table 108: Disaster Management, Animal Licensing and Control, Control of Public Nuisances, etc. Policy Objectives Taken From IDP

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Employees: Disaster Management and Social Services						
Job Level	2011/2012	2012/2013	2013/2014			
	Employees	Employees	Posts	Employees	Vacancies (fulltime equivalents)	Vacancies (as a % of total posts)
19 - 20	0	0	0	0	0	0%
16 - 18	0	0	0	0	0	0%
13 - 15	0	0	0	0	0	0%
10 - 12	0	0	1	1	0	0%
7 - 9	0	0	0	0	0	0%
4 - 6	0	0	0	0	0	0%
0 - 3	0	0	0	0	0	0%
Total	0	0	1	1	0	0%

Table 109: Employees: Disaster Management and Social Services

Financial Performance Year 2013/2014: Disaster Management and Social Services						
Details	2011/2012	2012/2013	2013/2014			
	Actual	Actual	Original Budget	Adjustment Budget	Actual	Variance to Budget
Total Operational Revenue	-	-	-	-	-	-
Expenditure:						
Employees		-	-	-	262	-
Repairs and Maintenance	-	-	10	10	0	(99)%
Other	-	-	687	629	697	1 %
Total Operational Expenditure	-	-	697	639	959	37 %
Net Operational Expenditure	-	-	697	639	959	37 %

Table 110 : Financial Performance Year 2013/2014: Disaster Management and Social Services

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COMPONENT H: SPORT AND RECREATION

This component includes: community parks; sports fields; sports halls; and swimming pools.

3.21 SPORT AND RECREATION

The people in the Knysna Municipality are very passionate about sport in general and the discussion of this topic was particularly prevalent during the public participation process of the IDP review where communities in nearly all wards demonstrated the high priority they put on sport facilities and sport development programmes. There are a number of sport facilities in the GKMA which accommodate a number of sport codes and some are better developed and equipped than others. The better developed sport facilities such as Loerie Park and Hornlee sport grounds are located in the town of Knysna whilst smaller facilities are also located in Sedgefield, Rheenendal and Karatara. The upgrading of sport facilities remains a major challenge for Knysna Municipality simply because it has to compete with other pressing priorities during the budgeting process.

Most of the schools in the Northern Areas and rural areas have very basic sport facilities such as a levelled area for soccer, netball and athletics. Despite contributions made by the Danish Ambassador and French International Football Association to upgrade sport fields in Bongani, Tembelitsha and Dam se Bos a lot still needs be done to improve the quality of these facilities. The first phase of upgrading at Dam se Bos has been completed and the second phase has commenced as part of the 2010 FIFA World Cup legacy partnership agreement. The Sizamile community hall and sportfield is currently being significantly upgraded and two new facilities are planned for Rheenendal and White Location. The map below indicates the location of the different sport facilities in the GKMA:

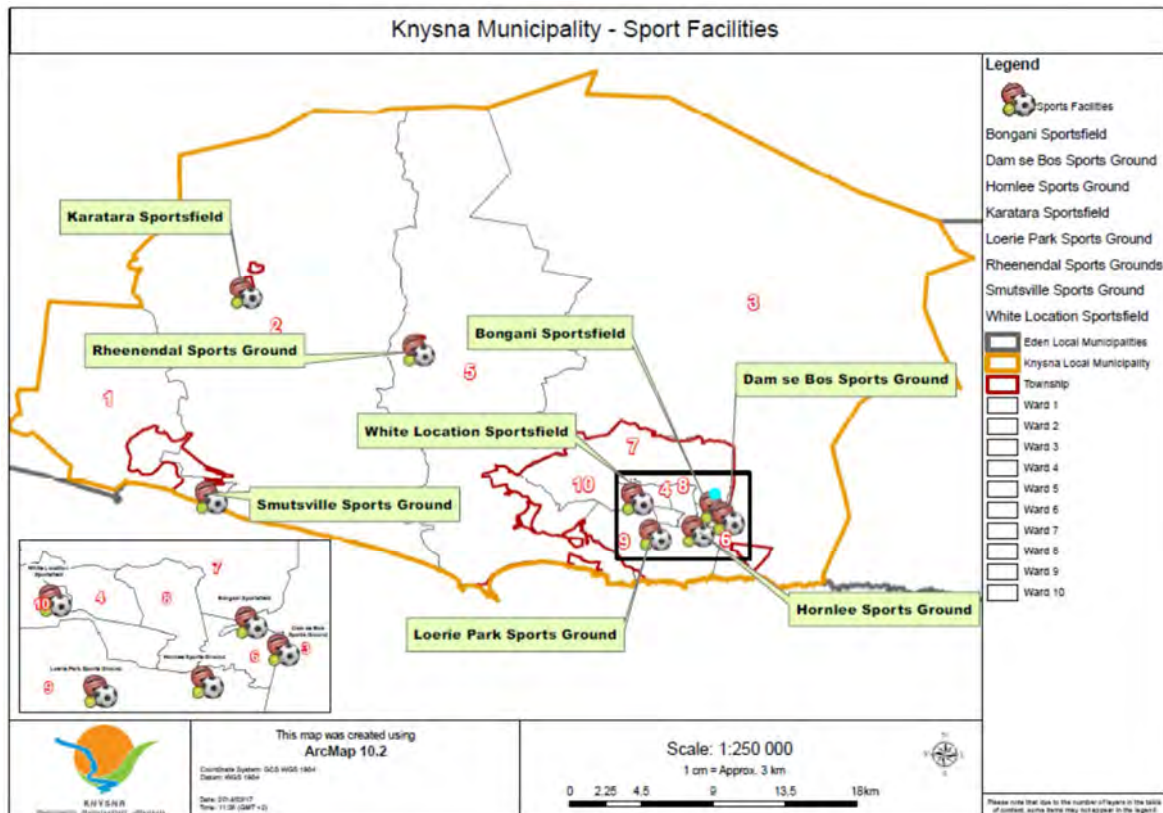


Figure 6: Sport Facilities

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A sport council that represent the various sport codes within GKMA was established on 24 February 2014, this council will act as the lead liaison in partnership with the provincial Department of Cultural Affairs and Sport (DECAS) to host a sport summit in the GKMA. The objectives of the intended sport summit are:

- To establish a functional sport forum with representation from all different sport codes;
- To develop a sport development plan for the area;
- To conduct a comprehensive audit of all the sport facilities;
- Prioritisation of sport facilities to be upgraded ; and
- Facilitate the implementation of sport development programmes

The Directorate: Community Services in partnership with the provincial Department of Cultural Affairs and Sport (DECAS) is embarking on a capacity building programme to empower sport clubs in various sport codes in management and financial administration as well as first aid training. These initiatives have been very well received by the sports bodies.

Service Statistics – Sport Grounds				
Type of service	2010/2011	2011/2012	2012/2013	2013/2014
Number of Sport Grounds/fields	16	16	16	16
Number of Stadiums	1	1	1	1
Netball Courts	6	6	6	7

Table 111: Service Statistics – Sport Grounds

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Sport and Recreation Policy Objectives Taken From IDP											
Service Indicators	Outline Service Targets	Unit of Measurement	2011/2012		2012/2013		2013/2014		2014/2015	2015/2016	2016/2017
			Target	Actual	Target	Actual	Target	Actual	Target		
Establishment of a Sports Forum	Establish a functional sport forum/s with representation by the various sport codes represented in the Greater Knysna Municipal Area.	Number	-	-	-	-	1	1	-	-	-
Completion of draft sport development plan	Develop and submit a Sport Development Plan for the Greater Knysna Municipal area to Council.	Number	-	-	-	-	-	-	1	-	-
Comprehensive audit of all sport facilities and submit to Council	To conduct a comprehensive audit of all the sport facilities within the Greater Knysna municipal area.	Number	-	-	-	-	-	-	1	-	-

Table 112: Sport and Recreation Policy Objectives Taken From IDP

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Employees: Sport and Recreation						
Job Level	2011/2012	2012/2013	2013/2014			
	Employees	Employees	Posts	Employees	Vacancies (fulltime equivalents)	Vacancies (as a % of total posts)
19 - 20	0	0	0	0	0	0%
16 - 18	0	0	0	0	0	0%
13 - 15	0	0	0	0	0	0%
10 - 12	2	2	3	3	0	0%
7 - 9	4	4	4	4	0	0%
4 - 6	39	38	39	36	3	8%
0 - 3	11	11	11	11	0	0%
Total	56	55	57	54	3	5%

Table 113: Employees: Sport and Recreation

Financial Performance Year 2013/2014: Sport and Recreation						
R'000						
Details	2011/2012	2012/2013	2013/2014			
	Actual	Actual	Original Budget	Adjustment Budget	Actual	Variance to Budget
Total Operational Revenue	1 031	831	1 011	1 011	845	(16)%
Expenditure:						
Employees	6 641	7 035	7 966	7 908	7 843	(2)%
Repairs and Maintenance	872	833	1 225	1 081	993	(19)%
Other	6 808	7 632	3 633	3 888	3 959	9 %
Total Operational Expenditure	14 320	15 501	12 824	12 877	12 795	(0)%
Net Operational Expenditure	13 289	14 669	11 814	11 866	11 950	1 %

Table 114: Financial Performance Year 2013/2014: Sport and Recreation

Capital Expenditure						
R' 000						
Projects	Original Budget	Adjustment Budget	Actual Expenditure	Variance from original budget	Variance from Adjusted budget	Total Project Value (2013/14 - 2015 /16)
Total All	780	1 438	1 107	42%	(23%)	2 543
Hornlee Upgrade existing sports field	250	850	776	210%	(9%)	1 250
Damsebos - Upgrade existing sports field	250	308		(100%)	(100%)	308
Program Small Plant	190	190	242	27%	27%	477
Program Tools and Equipment	90	90	89	(1%)	(1%)	248
Total of sundry projects	-	--	-	-	-	260

Table 115: Capital Expenditure: Sport and Recreation

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COMPONENT I: CORPORATE POLICY OFFICES AND OTHER SERVICES

This component includes: corporate policy offices, financial services, human resource services, ICT services, and property services.

3.22 EXECUTIVE AND COUNCIL

This component includes: Executive office (mayor; councilors; and municipal manager).

3.22.1 COUNCIL

The council performs both legislative and executive functions. It focuses on legislative, oversight and participatory roles, and has delegated its executive function to the Executive Mayor and the Mayoral Committee. The council's role is to debate issues publicly and to facilitate political debate and discussion. The council plays a very active role in the operations of the Municipality. Apart from their functions as decision makers, councillors are also actively involved in community work and the various social programmes in the municipal area.

The Council of the Knysna Municipality comprises of 19 elected Councillors, made up from ten Ward Councillors and nine Proportional Representation (PR) Councillors. The portfolio committees are made up of councillors drawn from all political parties.

3.22.2 EXECUTIVE MANAGEMENT STRUCTURE

The administration component of Knysna Municipality is headed by the Municipal Manager

The Municipal Manager as head of the administration is responsible and accountable for tasks and functions as provided for in Section 55 of the MSA; other functions as provided for in legislation; as well as functions delegated to her by the Executive Mayor and Council. She is supported by a team of five directors appointed in terms of the s56 of the MSA. The Office of the Municipal Manager consists of:

- the Municipal Manager;
- Internal Audit and Risk Management;
- Performance Management;
- Compliance Monitoring and
- Communication and Customer Relations

3.22.3 RISK MANGEMENT

Section 62 of the Municipal Finance Management Act requires the Accounting Officer to take all reasonable steps to ensure that the Municipality has, and maintains, effective, efficient and transparent systems of financial and risk management, internal control, internal audit as well as the effective, efficient and economical use of the resources of the Municipality

Risk Management is a logical and systematic process of establishing the context, identifying, analysing, evaluating, treating, monitoring and communicating risks associated with any activity,

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function or process, in a way that enables an organization to minimize losses and maximize opportunities.

In order to ensure the inclusion of all the factors impacting on Risk Management within the Municipality it is important to identify the environment within which the municipality operates. As with most municipal disciplines the risk management environment has altered substantially and requires a complete review of current policies, practices and assumptions. The municipality identified its risk environment which is summarized on the figure below:

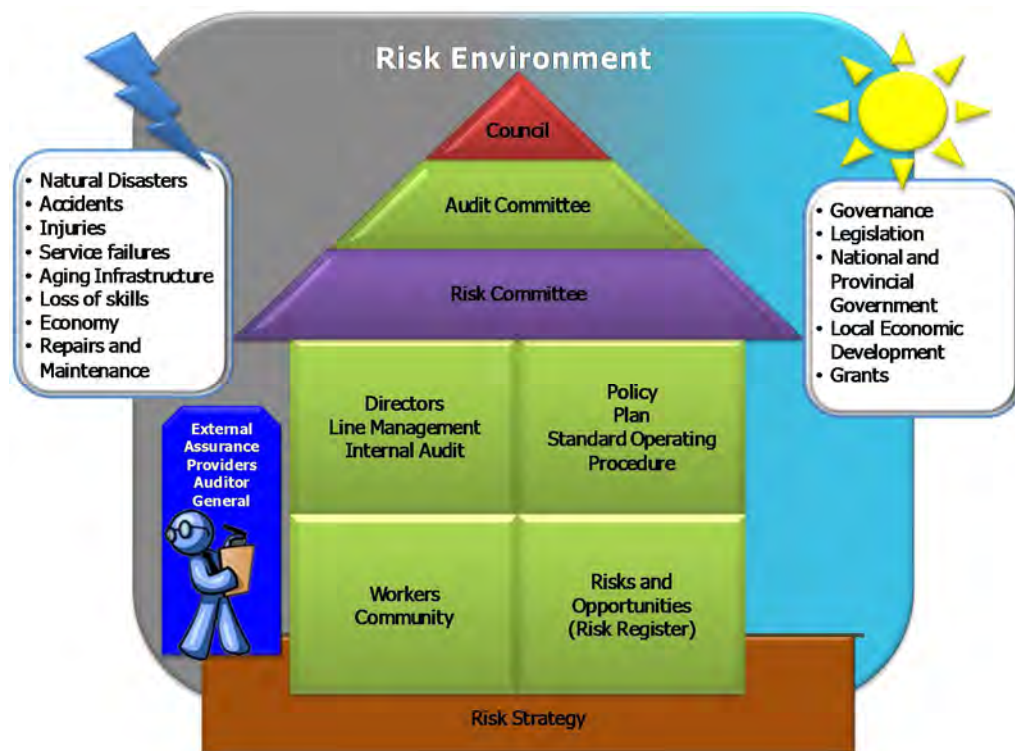


Figure 7: Risk Environment

Council has adopted a risk management strategy and policy in compliance with the Municipal Finance Management Act and King III during June 2012 with the following objectives:

- To address risk management for the whole municipality and to give effect to the implementation of the Risk Management Strategy, Risk Policy, establishment of the Risk Management Committee, Risk Management Implementation Plan and Risk Management Systems; and
- To inform and assist the executive and personnel on their roles and responsibility and to ensure that the risks relating to their particular area of control are managed to ensure that the best outcome is achieved.

The following is required in terms of Risk Management:

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Response Required	Municipal Action	Progress	Timeframe
Establishment of Risk Committee	Establishment of a Risk Committee in line with the approved policy	Done Established November 2012	2012
Develop and implement the Risk Management Plan	Develop Risk Management Plan Implementation the Risk Management Plan	Done Approved by Risk Management Committee March 2014	2013 – 2017
Risk Based Audit Plan	Review the Risk Based Audit Plan	The Risk Based Audit Plan of the municipality will be reviewed on an annual basis	2013 – 2017
Internal Audit	Implement the Risk Based Audit Plan	The reviewed Risk Based Audit Plan will be implemented annually	2013-2017

Table 116: Implementation of the Risk Management Strategy

Risk	Risk Background/Description	Risk Ranking	
		2012/2013	2012/2013
Ageing and overstretched infrastructure	Current infrastructure needs to be reviewed	1	1
Shortage of cemetery space	Insufficient cemetery space to keep up with demand	2	2
Lack of macro-economic strategy for Knysna	Negative impact of the current economic environment.	3	3
Information Management	Lack of up to date accurate information resulting in ineffective decision making. (Resolution Management system)	5	4
Third party performance	Contract Management. The following issues have led to the risk being reviewed adversely.	Previously below Risk Appetite	5
Poor quality of infrastructure	Insufficient to keep up with demand	7	6
Inadequate Asset Management	Inadequate Asset Management. Lack of control over issues such as use of email, phone, vehicles, tools and equipment, etc.	Previously below Risk Appetite	7
Information Technology	IT Sharing work email addresses and other sensitive information on the internet Using illegal, unauthorised, pirated or shared software Delaying the procurement of IT equipment in an effort to save money	Previously below Risk Appetite	8
Loss of Competitive Advantage	Loss of competitive advantage for the town because of loss of aesthetic appear, historical interest and environmental quality.	13	9
Information	Loss of information/information not timely distributed	4	Mitigated to below Risk Appetite
Staff	Attracting qualified competent staff/retain scarce skills/succession planning	8	Mitigated to below Risk Appetite
Customer Care	Lack of a proper integrated Customer Care Department	9	Mitigated to below Risk Appetite
Raw Water Sources	Insufficient raw water sources (security)	10	Mitigated to below Risk Appetite

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Risk	Risk Background/Description	Risk Ranking	
		2012/2013	2012/2013
Lack of Operational and Office Space	Inadequate space hindering effective service delivery.	12	Mitigated to below Risk Appetite
Incorrect Address	Difficulty in allocating correct address in informal settlement areas resulting in time and money losses.	11	Mitigated to below Risk Appetite
Risk Management	Failure to include risk management in formulation of strategic objectives	6	Mitigated to below Risk Appetite

Table 117: Top Five Municipal Risks

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The Executive and Council Policy Objectives Taken From IDP											
Service Indicators	Outline Service Targets	Unit of Measurement	2011/2012		2012/2013		2013/2014		2014/2015	2015/2016	2016/2017
			Target	Actual	Target	Actual	Target	Actual	Target		
Quality Assurance Programme approved by Audit Committee	The Internal Audit Quality Assurance and Improvement Program (QAIP) is designed to provide reasonable assurance to the various stakeholders of the Internal Audit activity that Internal Audit: (1) Performs its work in accordance with its Charter, which is consistent with The Institute of Internal Auditors International Standards for the Professional Practice of Internal Auditing (Standards), Definition of Internal Auditing and Code of Ethics; (2) Operates in an effective and efficient manner; and (3) Is perceived by stakeholders as adding value and improving Internal Audit's operations. To that end, Internal Audit's QAIP will cover all aspects of the Internal Audit activity (Standard 1300).	Number	-	-	1	1	1	1	1	1	1
Risk based internal audit plan approved annually by Audit Committee	The Risk Based Audit Plan (RBAP) is based on the risks identified within the municipality. The plan is approved by the Audit Committee and Council every three years and reviewed annually. The RBAP may be amended more frequently were required with approval from the Audit Committee and Council.	Number	1	1	1	1	1	1	1	1	1
Review of the communication policy	The policy review is to ensure that communications across the municipality are co-ordinated, effectively managed and responsive to the diverse information needs of the public. Deliver prompt, courteous and responsive service that is sensitive to the needs and concerns of the public and respectful of individual rights. To assist directorates to provide timely, accurate, clear, objective and complete information about its policies, programs, services and initiatives.	Number	1	0	1	1	-	-	-	-	-
Customer Satisfaction Survey report submitted to Council	Submit a report to Council on the results of the Customer Satisfaction Survey undertaken during 2014/2015	Number	-	-	-	-	-	-	1	-	-
Risk Management Committee (RMC) meetings	The Risk Management Committee functions as a nexus where all risk related governance issues are investigated and resolved. It is an oversight committee appointment by the municipal manager to review and assess the effectiveness and control processes of risk management within the municipality and present the findings to assurance providers such as the Audit Committee, Internal Audit and the Auditor General.	Number	-	-	2	3	2	3	-	-	-

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The Executive and Council Policy Objectives Taken From IDP											
Implement an individual performance management system up to second line managers	Individual performance is about linking individual employee's objectives with the municipality's strategic objectives. The emphasis is on improvement, learning and development in order to achieve the overall vision of the municipality and to create a high performance workforce. This process will be rolled out to other levels within the municipality in line with available resources and capacity over the next few years.	Percentage	100	0	100	100	100	100	-	-	-
Submit a review of the Performance Management Framework to Council	Individual performance is about linking individual employee's objectives with the Municipality's strategic objectives. The emphasis is on improvement, learning and development in order to achieve the overall vision of the Municipality and to create a high performance workforce. Council has approved the Performance Management Framework in 2012. This KPI seeks to review and update the Framework in order for it to be tabled to Council for approval	Number	-	-	-	-	-	-	1	1	1
The percentage of a municipality's capital budget actually spent on budgeted capital projects	Percentage reflecting year-to-date spend/total budget, less any contingent liabilities relating to the capital budget. The total budget is the Council-approved adjusted budget at the time of the measurement. Contingent liabilities are only identified at the year-end.	Percentage	100	71	100	107	100	91	100	100	100
Project clean audit	This indicator measures good governance and accounting practices and will be evaluated and considered by the Auditor-General in determining his opinion. An unqualified audit opinion refers to the position where the auditor, having completed his audit, has no reservation as to the fairness of presentation of financial statements and their conformity with General Recognised Accounting Practices. This is referred to as a 'clean opinion'. Alternatively, in relation to a qualified audit opinion, the auditor would issue this opinion in whole, or in part, over the financial statements if these are not prepared in accordance with General Recognised Accounting Practices, or if he could not audit one or more areas of the financial statements. Future audit opinions will cover the audit of predetermined objectives.	Number	-	-	-	-	-	1	1	1	1
Risk Management Implementation Plan	To improve risk management by developing and submitting the Risk Management Implementation Plan (as required in the Council approved Risk Management Strategy and Policy) to the Risk Management Committee	Number	-	-	-	-	1	1	1	1	1

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The Executive and Council Policy Objectives Taken From IDP											
Ensure the implementation of the risk management system	Annually report on the submission of risks equal or > risk appetite to Risk Management Committee.	Number	-	-	-	-	-	-	1	1	1
Facilitation of one Training session for all Ward Committees	To enhance the effectiveness of ward committees – Training of ward committees in municipal systems, Integrated Development Planning, performance processes and ward-based planning. By facilitating a training session per working ward committee.	Number	-	-	-	-	1	5	-	-	-
Review and submit to Council the Anti-Fraud and Corruption Framework.	Review and submit to Council the Anti-Fraud and Corruption Strategy and Fraud Response Plan (adopted December 2008) The review to include the Local Government Municipal Regulations on Financial Misconduct Procedures and Criminal Proceedings ("Financial Misconduct Regulations.") as published in Government Gazette No 37699 dated 30 May 2014	Number	-	-	-	-	-	-	1	1	1

Table 118: The Executive and Council Policy Objectives Taken From IDP

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Employees: Council, Committees and Pensioners						
Job Level	2011/2012	2012/2013	2013/2014			
	Employees	Employees	Posts	Employees	Vacancies (fulltime equivalents)	Vacancies (as a % of total posts)
Executive Mayor	1	1	1	1	0	0%
Speaker	1	1	1	1	0	0%
Member of Executive Committee	4	4	4	3	1	25%
Part Time Councillor	13	13	13	13	0	0%
Audit Committee Members	4	4	4	4	0	0%
Ward Committee Members	81	81	76	76	0	0%
Personal Assistants	2	2	2	2	0	0%
Pensioners	6	6	6	6	0	0%
Total	112	112	107	106	1	1%

Table 119: Employees: Council, Committees and Pensioners

Employees: Municipal Managers Office						
Job Level	2011/2012	2012/2013	2012/2013			
	Employees	Employees	Posts	Employees	Vacancies (fulltime equivalents)	Vacancies (as a % of total posts)
Municipal Manager	1	1	1	1	0	0%
19 - 20	0	0	0	0	0	0%
16 - 18	0	0	1	1	0	0%
13 - 15	1	3	2	1	1	50%
10 - 12	1	2	2	2	0	0%
7 - 9	1	3	1	1	0	0%
4 - 6	0	0	2	2	0	0%
0 - 3	0	0	0	0	0	0%
Total	4	9	9	8	1	11%

Table 120: Employees: Municipal Managers Office

Financial Performance Year 2013/2014: The Executive and Council						
Details	2011/2012	2012/2013	2013/2014			
	Actual	Actual	Original Budget	Adjustment Budget	Actual	Variance to Budget
Total Operational Revenue	37 772	9 293	6 938	7 738	8 845	27 %
Expenditure:						
Employees	10 599	13 002	14 483	14 290	17 061	18 %
Repairs and Maintenance	41	28	30	22	11	(63)%
Other	242 033	21 015	21 186	20 781	28 556	35 %
Total Operational Expenditure	252 673	34 045	35 699	35 093	45 628	28 %
Net Operational Expenditure	214 901	24 753	28 761	27 355	36 782	28 %

Table 121: Financial Performance Year 2013/2014: The Executive and Council

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Capital Expenditure						
						R' 000
Projects	Original Budget	Adjustment Budget	Actual Expenditure	Variance from original budget	Variance from Adjusted budget	Total Project Value (2013/14 - 2015 /16)
Total All	3 778	5 214	5 681	50%	9%	7 356
Refurbish/Upgrade municipal buildings	1 730	1 930	2 369	37%	23%	1 930
Ward Projects	2 000	1 836	1 778	(11%)	(3%)	3 836
Purchase of property Clyde street		1 400	1 446		3%	1 400
Program Office Furniture and Equipment	48	48	88	83%	83%	190

Table 122: Capital Expenditure: The Executive and Council

3.23 FINANCIAL SERVICES

Consolidated Financial Overview

It is necessary to embark on long-term planning for Knysna over the next 20 years. Council had taken the decision to begin a new long term planning process by means of a very elaborate and inclusive Integrated Spatial Development Framework (ISDF). The ISDF takes on a far longer horizon than 5 year Integrated Development Plans (IDP) and already this integrated approach is having benefit as to how Council looks at which capital projects are appropriate going forward. It is entirely in line with the National Treasury dictates mentioned above.

The Knysna Municipality is an extremely well-run municipality that fights well above its financial weight. To emphasise this, the municipality achieved what is commonly known as a clean audit from the Auditor-General.

The development of a longer term financial plan resulted in Council slowly beginning to generate surplus cash for the municipal reserves for future growth. Council continues to monitor opportunities to arrange 3 year borrowings provided market conditions are favourable, however it should be pointed out that the lending institutions are being very slow in regard to loans longer than 10 years. There are also proposals emanating from SALGA and provincial government to “pool” and ring-fence borrowings for capital maintenance. The proposals look good on paper but in reality there are many hurdles, both technical and academic, to cross before this proposal moves forward meaningfully.

As is stated every year and evidenced below, Knysna, from a financial perspective, is a municipality that remains heavily geared, i.e. borrowed, and heavily dependent upon its domestic sector. Knysna was, is and shall remain for the foreseeable future a residential municipality. Approximately 80% of Council revenue, excluding governmental transfers, comes from the domestic residential sector. There is little scope for cross-subsidisation from the business sector in relief of the domestic account, and therefore increases in tariffs impact directly upon domestic consumers in the first instance.

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Description	2010/11	2011/12	2012/13	Current Year 2013/14				2014/15 Medium Term Revenue & Expenditure Framework		
	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2014/15	Budget Year +1 2015/16	Budget Year +2 2016/17
R thousand										
Revenue By Source										
Property rates	116 791	125 364	139 970	152 574	146 574	146 574	146 574	159 457	167 021	177 042
Property rates - penalties & collection charges	2 019	2 356	2 487	2 608	2 608	2 608	2 608	2 804	2 972	3 150
Service charges - electricity revenue	138 946	160 116	172 199	182 411	180 911	180 911	180 911	193 213	206 352	220 384
Service charges - water revenue	37 925	40 656	43 078	45 492	45 492	45 492	45 492	48 904	51 838	54 948
Service charges - sanitation revenue	9 121	9 632	10 232	10 619	10 619	10 619	10 619	11 469	12 157	12 886
Service charges - refuse revenue	12 715	13 179	13 459	14 281	14 281	14 281	14 281	15 352	16 274	17 250
Service charges - other	3 310	2 966	2 334	3 393	3 393	3 393	3 393	3 648	3 867	4 099
Rental of facilities and equipment	4 069	3 500	3 545	4 745	4 745	4 745	4 745	5 030	5 331	5 651
Interest earned - external investments	5 915	6 667	6 589	8 309	7 809	7 809	7 809	2 346	3 251	7 061
Interest earned - outstanding debtors	3 873	4 551	3 237	3 192	3 192	3 192	3 192	3 250	3 413	3 582
Dividends received	-	-	-	-	-	-	-	-	-	-
Fines	2 338	7 677	13 964	11 369	11 369	11 369	11 369	15 111	15 867	16 659
Licences and permits	1 719	1 843	1 674	1 902	1 902	1 902	1 902	1 998	2 097	2 202
Agency services	1 716	1 774	1 809	1 700	1 700	1 700	1 700	1 800	1 890	1 985
Transfers recognised - operational	62 943	89 231	83 819	81 877	83 347	83 347	83 347	68 879	100 612	116 249
Other revenue	54 946	37 889	8 455	3 449	3 449	3 449	3 449	3 291	3 309	3 142
Gains on disposal of PPE	1 541	43	2 816	200	200	200	200	250	300	350
Total Revenue (excluding capital transfers and contributions)	459 888	507 444	509 669	528 123	521 593	521 593	521 593	536 801	596 550	646 642
Surplus/(Deficit)	57 534	(185 088)	15 977	(4 367)	353	353	353	(7 298)	8 713	31 064
Transfers recognised - capital	37 711	30 679	41 023	42 885	43 198	43 198	43 198	39 449	36 401	33 805
Contributions recognised - capital	-	777	695	3 717	3 717	3 717	3 717	-	-	-
Contributed assets	-	-	-	-	-	-	-	-	-	-
Surplus/(Deficit) after capital transfers & contributions	95 245	(153 632)	57 695	42 235	47 268	47 268	47 268	32 151	45 114	64 869

Table 123: Revenue by Source

The downturn in the national economy has meant that development has virtually ceased and this in turn has led to a position whereby unless development starts again, then Knysna will be in a terminal decline. For this reason Council has taken the decision to fast-track economic development.

A number of measures are being explored which include targeting local contractors for Council business and paying an acceptable premium to use them as service providers. Council is also introducing incentives aimed at subsidising, delaying or even waiving development contributions depending upon the type and locality of the development and introducing a new business rebate to attract new business by means of a rates holiday.

Revenue strategies

For Knysna Municipality to not only maintain but also continue to improve the quality of services provided to its citizens it needs to generate the requisite revenue. Local communities must understand that the continued generation of cash via good prudent budgeting, credible income policies and sound financial management systems is critical to the financial sustainability of every municipality. The reality is that we are faced with development backlogs and poverty. The expenditure required to address these challenges will inevitably always exceed available funding; hence difficult choices have to be made in relation to tariff increases and balancing expenditures against realistically anticipated revenues.

The municipality's revenue strategy is built around the following key components:

- National Treasury's guidelines and macro-economic policy;
- Growth in the Municipality and continued economic development;

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- Efficient revenue management, which strives to ensure a 96% annual collection rate for property rates and other key service charges;
- Electricity tariff increases as approved by the National Electricity Regulator of South Africa (NERSA);
- The municipality's Property Rates Policy approved in terms of the Municipal Property Rates Act, 2004 (Act 6 of 2004) (MPRA);
- Increase ability to extend new services and recover costs;
- The municipality's Indigent Policy and rendering of free basic services; and
- Tariff policies of the Municipality.

The inflation forecast for the MTREF period is on average 5.5% per annum excluding ESKOM. The municipality's aim is to not exceed inflation in its annual tariff adjustments but the following factors hamper such goal and are often beyond the control of the municipality:

- the new general valuation
- ESKOM electricity increases
- bulk water purchases and
- national collective agreements on salary increases

The Finance Directorate will be embarking upon a number of strategic thrusts and actions (resources permitting) to maximise or at best maintain revenue raising at its current levels, to ensure Council can continue to meet its constitutional requirements and to dovetail with the efficiency measures being looked at on the expenditure side of the budget. This will allow council to maximise its growth plans in line with the new economic strategy currently under review.

STRATEGY	ACTIONS
Conduct a viability study and implement a viability strategy	Determine if the municipality is financially viable Compare with other municipalities taking service levels into account.
Maintain and improve on debt collection	Investigate further processes to increase the debt collection rate including the restructuring of the Income Department
Investigate new/more efficient sources of income	Facilitate new income generating developments Investigate and implement ways to attract new businesses to the municipality Investigate parking fees and smart electricity and water meters and implement if viable
Ensure an accurate and well maintained income database	Do a complete investigation of income database and maintain properly

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STRATEGY	ACTIONS
Secure more external funding and government grants for soft services including long term funding for operating expenses	<p>Investigate possible new external funding sources and government grants</p> <p>Investigate and establish appropriate viable Public- Private Partnerships or Public -Public Partnerships with respect to soft services</p> <p>Investigate the possibility of voluntary contributions from private sector for low cost housing or the equivalent</p>
Monitor the financial health of the Municipality against financial standards and benchmarks within the Western Cape	Measure and report on financial performance against ratio's and standards on a quarterly basis

Table 124: Revenue strategies

Financial Management Policies

Council's financial policies are reviewed annually and amended according to need and/or legislative requirements. One of those policies is a Funding and Reserves Policy. The salient points of the policy are that the budget must be cash-funded, tariff adjustments must be fair, employee related costs must be all inclusive and the conditions of all provisions must be cash met where required. A number of indicators are also highlighted to ensure the municipality has enough cash to continue operations. The policy notwithstanding, the primary financial approach of Council, remains that assets should be in the ground and not in the bank.

The financial requirements of the policy have been reported upon each month within the broader Section 71 report. The Knysna Section 71 report continues to garner praise and laurels from external bodies who look at us, and it keeps us on the straight and narrow path of cash is king. It is a report that is easily understandable to the man in the street.

With regard to our reserves a number of cash funded reserves are now in place. They include the Capital Replacement Reserve (CRR) and the Employee Benefits Reserve which will ensure sufficient cash is available to pay post-retirement employee benefits in the future.

The future budgets of Council will take the very important step of introducing for the first time a Budget Policy. This policy reinforces much of what is contained in the MFMA and regulates inter alia:

- The preparation of the budget;
- The shifting or virement of funds;
- The timing and nature of Adjustment budgets;
- Unforeseen and unavoidable expenditure; and
- Establish and maintain procedures to adhere to budget processes.

The main principles underpinning the policy are:

- that the municipality may not budget for a cash deficit;
- expenses may only be incurred in terms of an approved budget;

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- the budget must always be within the IDP framework;
- capital expenditure must distinguish between replacement and new assets;
- capital funding must be available; and
- loans must be linked to an asset and CRRs must be cash-backed.

By following this policy Council should be able to produce future budgets that are realistic, practical and affordable to the residents which in itself is already a major step forward for the municipality. In respect of the other budget policies there have been minor changes as always, mainly to increase local supply chain rules and to redefine basic service provision.

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Financial Service Policy Objectives Taken From IDP											
Service Indicators	Outline Service Targets	Unit of Measurement	2011/2012		2012/2013		2013/2014		2014/2015	2015/2016	2016/2017
			Target	Actual	Target	Actual	Target	Actual	Target		
Review all following legislative budget implementation policies; 1. Budget 2. Cash, Liability and Investment Management 3. Credit Control 4. Funding and Reserves 5. Indigent and Social Rebate Property 6. Rates 7. Supply Chain Management 8. Tariff	Budget policies serve as the cornerstone of financial viability and ensure that the municipality remains an on-going concern.	Number	8	8	8	8	8	8	-	-	-
Financial viability as expressed by the following ratio: Debt Coverage	The ratio measures the ability to cover debt service payments with own revenue to aid in determining the financial viability of the municipality	Number	11.1	12.76	25.5	23.5	15.5	32.78	24.2	20.5	22
Financial viability as expressed by the following ratio: Outstanding Service Debtors to Revenue	To calculate the ratio of service debtor to service revenue to aid in determining the financial viability of the municipality	Percentage	11	34.22	15.5	17.2	15.5	28.7	20.4	21.4	22.1
Financial viability as expressed by the following ratio: Cost Coverage	To calculate the ability to cover fixed cost with available cash to aid in determining the financial viability of the municipality	Number	0.5	2.35	2	1.4	1.3	7.94	0.8	0.7	1.6
Debtors payment level	The debtor's payment level directly relates to the municipalities capacity to collect amounts due in regards to rates, service and sundry charges and is fundamental to maintain positive cash flows and ensuring stability and long term financial viability.	Percentage	97.2	96	93	94	94	95.3	92.4	91.8	91.9

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Financial Service Policy Objectives Taken From IDP										
Comply with grant funding conditions.	The monthly report details on site progress or planning progress as well as financial spending progress in relation to grants allocated to the municipality.	Number	-	-	12	12	-	-	-	-
Submit report on Alternative Sources of Funding to Council	Investigate the feasibility of appointing an external service provider to identify and source additional sources of funding for financing major projects and table a report to Council in this regard.	Number	-	-	-	-	1	1	1	-
Develop a Long Term Financial Plan and submit to Council	To improve financial management and long term financial planning including the development of strategies to improve financial management and long term financial planning and develop strategies for financing capital projects and operational costs	Number	-	-	-	-	-	-	-	1

Table 125: Financial Service Policy Objectives Taken From IDP

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Job Level	2011/2012	2012/2013	2012/2013			
	Employees	Employees	Posts	Employees	Vacancies (fulltime equivalents)	Vacancies (as a % of total posts)
Chief Financial Officer	1	1	1	1	0	0%
Contact Appointments ¹⁵	5	4	6	6	0	0%
19 - 20	0	0	0	0	0	0%
16 - 18	0	0	0	0	0	0%
13 - 15	4	5	4	4	0	0%
10 - 12	11	13	15	15	0	0%
7 - 9	7	8	4	4	0	0%
4 - 6	36	41	44	41	3	7%
0 - 3	0	0	2	2	0	0%
Total	64	72	76	73	3	4%

Table 126: Employees: Financial Services

Financial Performance Year 2013/2014: Financial Services						
R'000						
Details	2011/2012	2012/2013	2013/2014			
	Actual	Actual	Original Budget	Adjustment Budget	Actual	Variance to Budget
Total Operational Revenue	137 945	152 984	166 942	161 078	157 100	(6)%
Expenditure:						
Employees	13 068	15 104	19 640	18 534	18 291	(7)%
Repairs and Maintenance	485	805	237	539	613	159 %
Other	(3 063)	(6 413)	21 670	20 608	12 958	(40)%
Total Operational Expenditure	10 490	9 496	41 546	39 680	31 861	(23)%
Net Operational Expenditure	(127 456)	(143 488)	(125 396)	(121 398)	(125 239)	(0)%

Table 127: Financial Performance Year 2013/2014: Financial Services

Capital Expenditure						
R' 000						
Projects	Original Budget	Adjustment Budget	Actual Expenditure	Variance from original budget	Variance from Adjusted budget	Total Project Value (2013/14 - 2015/16)
Total All	1 569	2 132	1 960	25%	(8%)	2 765
Upgrade first floor Finance	1 502	1 630	1 390	(7%)	(15%)	1 868
Vehicle replacements		385	316	-	(18%)	505
Program Office Furniture and Computer Equipment	67	117	254	279%	117%	268
Upgrade Sedgefield Finance Building				-	-	125

Table 128: Capital Expenditure: Financial Services

¹⁵ Manager Budget Office (1), FMG Interns (5)

3.24 HUMAN RESOURCE SERVICES

The Human Resources Department contributes to managing the gap between human capacity needs and realities of the Knysna Municipality.

A Human Resources Strategy is in place to align our human resource policies and practices to support the accomplishment of the mission, vision, goals and strategies of Knysna Municipality. The focus is to invest in our human capital to contribute effectively, efficiently and economically to the achievement of short, medium and long term objectives of our Municipality.

The purpose of the human resources strategy is to maximise the potential of the employees at Knysna Municipality through:

- The acquisition of knowledge, skills and values;
- Increased work productivity to achieve a rising quality of life for all;
- Achieving the following human resources strategies over a five year period to address the critical issues;
- Improve the foundations for human development and optimize personnel utilization;
- Improve the supply of high quality skills, especially scarce skills which are more responsive to societal and economic needs;
- Increase employer participation in lifelong learning by promoting learning opportunities;
- Improve professionalism and ethical work practices;
- Review the institutional Structure (restructuring to accommodate new critical needs for effective, efficient and economical service delivery);
- TASK grading and job evaluation (Job descriptions with profiles, competencies and performance standards);
- Recruitment, selection and assigning employees (right person in right position with required competencies and skills);
- Implement Employment Equity targets to address the under representation of black people, women and disabled people in the demographic profile of Knysna Municipality;
- Training and development of staff capacity (management skills on lower, middle and senior levels);
- Compile critical HR Policies, related procedures and control mechanisms;
- Labour relations (improve relationship with Unions – optimize staff potential, full utilization of staff, improve motivation and productivity and address incapacity cases); and
- Health and Safety (maintain a safe and healthy work environment, safety audit completed critical safety hazards addressed, decrease in job injuries).

In the year ahead work will be done to develop succession and talent retention strategies and policies in order to grow internal capacity and ability. It is believed that this is a key tool to realizing many of the components of the HR strategy.

Workplace Skills Plan

Knysna Municipality has a skills development plan which is updated and reviewed annually in line with the prescripts of the Skills Development Act of 1998. The Act aims to improve the quality of life of the labour force, to encourage the labour force to be self-motivated and to encourage workers to participate in leadership and other programmes. The municipality promotes and implements skills development strategies to facilitate the implementation of the objectives of the Integrated Development Plan. Although the Directorate: Corporate Services drives the Workplace Skills Plan, every municipal department is required to implement the plan and allocate budgets accordingly. This

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WSP also need to identify areas where skills shortages exist with a strong focus of developing scarce skills internally which will also assist to stimulate the local economy.

Occupational Health and Safety

Occupational Health and Safety Management is a system where identifying, analysing, evaluating, monitoring and controlling of all health and safety hazards and risks in the workplace. It aims to ensure that the best possible working conditions in the organization are maintained. This helps to reduce workplace accidents and illness, cutting out related costs, downtime and absenteeism, as well as prioritizing the welfare of staff. It is common knowledge that better, safer working conditions lead to better performance. This ensures that the available human resources are optimized and the municipality is able to deliver services of a high standard to the community. This will assist the municipality in achieving its strategic goals.

During July 2013 Knysna Municipality decided to improve the functioning of the OHS Committees as there was a lack of participation on all levels. The structures of the Committees have been changed to ensure the involvement of workers and management. At the TMT meeting, OHS is a standing item to ensure that top management is kept up to date with any OHS issues that cannot be resolved on the lower levels.

Knysna Municipality's Occupational Health and Safety Plan is updated monthly and reviewed annually. The key actions of the plan are to ensure a healthy and safe working environment and healthy employees, by:

- By enforcing compliance to the OHS legislation,
- make all OHS appointments as specified by the OHS legislation,
- completing Health Risk Assessments on a continued basis,
- investigating and reporting of all incidents,
- doing annual OHS audits,
- placing all employees on an OHS medical surveillance programme,
- arranging Occupational Hygiene Monitoring,
- running a hearing conservation programme for all employees,
- ensuring OHS-related training has been identified and arranged where needed and
- as stipulated by legislation,
- keeping of all records and documents as stipulated by OHS legislation
- ensuring that all contractors adhere to the Construction Regulations requirements

Some of the challenges experienced are:

- The employees of the municipality are still adjusting to the changes of the functioning of the OHS Committees. Some of the committees have not held meetings yet and the level of literacy resulted in minutes not being taken accurately.
- Some employees are close to retirement age and therefore are not as committed to complying with legislation requirements as the municipality would prefer.
- Not all requirements of the OHS legislation is being adhered to due to budgetary constraints, for e.g. annual OHS medical examinations and inoculations for the employees exposed to hazardous biological agents.
- Even though employees receive OHS training every year, there is still some resistance to implementing the tools they were given to improving the working environment. Line management is required to enforce implementation in their sections.
- Keeping records and documents as required by legislation.

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Despite all the challenges, Knysna Municipality has come a far way with implementing OHS legislation requirements. This can be seen with the annual OHS audits conducted. Since 2012 the audit reports have shown a vast improvement in all departments. The involvement of top management as well as line managers have improved tremendously. Knysna Municipality has 56 Health and Safety Representatives who play an active role in assisting management to improve compliance to OHS legislation.

The response required by the Occupational Health and Safety Plan can be summarised as follows:

Response required	Municipal Action	Progress	
Appointments as required by OHS legislation, for e.g. 16(2) appointees, GMR(2) appointees, Health and Safety Representatives, First Aiders, etc.	Ensure that all OHS appointments are completed	80%	2014-2017
Establish OHS Committees and have meetings at least every 3 months	Ensure that all committees have been established and is functioning properly	OHS committees have been established, but not all are functioning properly	2014-2015
Identify the hazards and evaluate the risks associated with listed work	Conduct Health Risk Assessments in all areas	30%	2015-2017
Employees exposed to listed work should be subjected to medical surveillance	Subject employees to medical surveillance	60%	2015-2017

Table 129: Occupational Health and Safety Plan

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Human Resource Services Policy Objectives Taken From IDP											
Service Indicators	Outline Service Targets	Unit of Measurement	2011/2012		2012/2013		2013/2014		2014/2015	2015/2016	2016/2017
			Target	Actual	Target	Actual	Target	Actual	Target		
Organisational structure approved by Council	An organisational structure provides guidance to all employees by laying out the official reporting relationships that govern the workflow of the municipality.	Number	1	1	1	1	1	1	-	-	-
Report on Council Property Utilisation submitted to Council	Assess all Council property holdings for investment and/or development purposes and submit report to Council	Number	-	-	-	-	-	-	1	-	-
Review Workplace Skills Plan	A workplace skills plan (WSP) is a document that outlines the planned education, training and development interventions for the organisation. Its purpose is to plan and allocate funds for appropriate training interventions that will address the needs arising out of local government's skills sector plan, the strategic requirements as contained in the Integrated Development Plan (IDP), and the individual departmental staffing strategies and individual employees' Personal Development Plans (PDPs). The WSP shall also take into account the employment equity plan, ensuring incorporation of relevant developmental equity interventions into the plan.	Number	1	1	1	1	-	-	-	-	-
Revisit/ review or develop the; 1. Occupational Health and Safety policy 2. Sexual Harassment policy and create awareness 3. Staff housing policy 4. Social relief of distress policy Staffing policy 5. Language policy	To support and clarify how employment related issues will be dealt with, by whom and where required specify the time frame within which any action needs to be taken.	Number	-	-	6	8	-	-	-	-	-

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Human Resource Services Policy Objectives Taken From IDP											
Skills development: Percentage budget spent on implementation of workplace skills plan (WSP)	The workplace skills plan (WSP). Public Service employers in the national and provincial spheres of government are required in terms of Section 30 of the Skills Development Amendment Act to budget at least one percent [1%] of their payroll for the education and training of their employees. : Measured against training budget.	Percentage	1	0.9	1	1	1	0.33	1.02	0.99	0.99
Percentage of people from employment equity target groups employed in the three highest levels of management in compliance with the approved employment equity plan Indicator	The indicator measures the percentage of people from employment equity target groups employed in the three highest levels of (Municipal Manager, Directors and managers reporting to directors) management in compliance with the approved employment equity plan. Each directorate contributes to the corporate achievement of targets and goals by implementing its own objectives of quantitative and qualitative goal setting. The three highest levels are Top Management(MM and Directors); Managers reporting to Directors and Middle Management (Section Heads and Professionals)	Percentage	80	80	80	74.42	80	85	80	80	80
Effective implementation of Disciplinary Procedures by commencing with all disciplinary actions within 90 days of management being informed of the transgression	Execution of disciplinary procedures in line with the South African Local Government Bargaining Council's (SALGBC) Disciplinary Procedure and Code Collective Agreement to commence within in 90 days of management being informed.	Percentage	-	-	-	-	100	100	-	-	-

Table 130: Human Resource Services Policy Objectives Taken From IDP

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Employees: Human Resource Services						
Job Level	2011/2012	2012/2013	2013/2014			
	Employees	Employees	Posts	Employees	Vacancies (fulltime equivalents)	Vacancies (as a % of total posts)
19 - 20	0	0	0	0	0	0%
16 - 18	0	0	0	0	0	0%
13 - 15	1	1	1	1	0	0%
10 - 12	5	5	6	6	0	0%
7 - 9	0	0	0	0	0	0%
4 - 6	1	2	4	4	0	0%
0 - 3	0	0	0	0	0	0%
Total	7	8	11	11	0	0%

Table 131: Employees: Human Resource Services

Financial Performance Year 2013/2014: Human Resources						
R'000						
Details	2011/2012	2012/2013	2013/2014			
	Actual	Actual	Original Budget	Adjustment Budget	Actual	Variance to Budget
Total Operational Revenue	861	594	400	400	337	(16)%
Expenditure:						
Employees	3 038	2 735	3 134	3 398	3 299	5 %
Repairs and Maintenance	-	-	-	-	-	-
Other	(2 424)	(1 902)	3 643	3 633	6 115	68 %
Total Operational Expenditure	615	832	6 777	7 031	9 414	39 %
Net Operational Expenditure	(247)	238	6 377	6 631	9 076	42 %

Table 132: Financial Performance Year 2013/2014: Human Resources

3.25 INFORMATION AND COMMUNICATION TECHNOLOGY (ICT) SERVICES

Our 3 primary objectives in ICT are:

- To minimize IT downtime of the network to less than 5% of the time;
- To ensure that our data is backed-up on a regular basis; and
- To ensure all IT queries are addressed within 5 working days.

With the upgrade on our wireless network there have been improvements in the speed/performance of the network at the external offices; namely Technical Services, Electricity, Risk and Performance offices and Customer Care. We are continually upgrading as technology is improving consistently.

IT queries range from hardware to software issues, 99% of the time our technicians address the issues within 2 working days. Our more complex issues are dealt with by specialist staff. The recruitment and retention of competent and experienced personnel remains a significant challenge.

Details	2011/2012	2012/2013		2013/2014		2014/2015
	Actual	Estimate	Actual	Estimate	Actual	Estimate
Network downtime	2.58%	5%	1.82%	5%	0.91%	2%
Query resolutions	95.67%	97.5%	97.97%	98%	99.41%	98%
Back-ups	96.67%	100%	100%	100%	100%	100%

Table 133: Service Data for Information and Communication Technology (ICT) Services

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ICT Services Policy Objectives Taken From IDP											
Service Indicators	Outline Service Targets	Unit of Measurement	2011/2012		2012/2013		2013/2014		2014/2015	2015/2016	2016/2017
			Target	Actual	Target	Actual	Target	Actual	Target		
Review existing Information Technology	On-going review of the IT policy is imperative to stay current with latest IT related developments and to inform employees what is required of them when using technology provided by the municipality. It is critical to protect the municipality by having a policy to govern areas such as Internet and email usage, security, backups, software and hardware inventory and data retention.	Number	-	-	1	1	1	1	1	1	
Six IT Steering Committee meetings per annum	To improve the municipal capacity – Develop, implement systems to build institutional capacity and develop plan to integrate ICT systems 1. To monitor the implementation of the IT Policy 2. To receive reports on projects in IT and to agree changes in priorities and resources 3. To monitor the service levels set for IT and achievement thereof 4. To continuously monitor computing resource with respect to optimising and protecting its value through redeployment and/or renewal 5. To consider emerging IT developments and assess the potential for their deployment	Number	-	-	-	-	6	6	-	-	

Table 134: ICT Services Policy Objectives Taken From IDP

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Employees: ICT Services						
Job Level	2011/2012	2012/2013	2013/2014			
	Employees	Employees	Posts	Employees	Vacancies (fulltime equivalents)	Vacancies (as a % of total posts)
19 - 20	0	0	0	0	0	0%
16 - 18	0	0	1	1	0	0%
13 - 15	1	1	0	0	0	0%
10 - 12	4	4	7	5	2	29%
7 - 9	0	2	2	2	0	0%
4 - 6	1	1	0	0	0	0%
0 - 3	0	0	0	0	0	0%
Total	6	8	10	8	2	20%

Table 135: Employees: ICT Services

Financial Performance Year 2013/2014: ICT Services						
R'000						
Details	2011/2012	2012/2013	2013/2014			
	Actual	Actual	Original Budget	Adjustment Budget	Actual	Variance to Budget
Total Operational Revenue	5	25	4	4	4	8 %
Expenditure:						
Employees	1 856	1 986	2 803	2 225	2 429	(13)%
Repairs and Maintenance	162	598	1 330	705	329	(75)%
Other	(3 385)	(3 004)	3 709	4 541	4 484	21 %
Total Operational Expenditure	(1 367)	(420)	7 842	7 471	7 241	(8)%
Net Operational Expenditure	(1 372)	(445)	7 838	7 467	7 237	(8)%

Table 136: Financial Performance Year 2013/2014: ICT Services

Capital Expenditure						
R' 000						
Projects	Original Budget	Adjustment Budget	Actual Expenditure	Variance from original budget	Variance from Adjusted budget	Total Project Value (2013/14 - 2015 /16)
Total All	575	1 579	1 093	90%	(31%)	2 606
Program Computer Equipment	570	1 320	1 093	92%	(17%)	2 347
Broadband IT Hardware	5	5		(100%)	(100%)	5
Vehicle Replacement		254			(100%)	254

Table 137: Capital Expenditure: ICT Services

3.26 PROPERTY; LEGAL AND PROCUREMENT SERVICES

This component includes: property; legal; and procurement services.

Details	2010/2011	2011/2012	2012/2013	2013/2014
	Actual No.	Actual No.	Actual No.	Actual No.
All new legislation and proclamations distributed to all Departments	3	5	5	51
Promulgate by-laws	2	1	1	1
Provide legal opinions and input on policies, contracts, agreements, legislation, by-laws and authorities	10	7	10	36

Table 138: Service Data for Legal Services

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Property; Legal; and Procurement Services (Other) Taken From IDP											
Service Indicators	Outline Service Targets	Unit of Measurement	2011/2012		2012/2013		2013/2014		2014/2015	2015/2016	2016/2017
			Target	Actual	Target	Actual	Target	Actual	Target		
Report on Council Property Utilisation submitted to Council	Assess all Council property holdings for investment and/or development purposes and submit report to Council	Number	-	-	-	-	1	0	1	-	-
Implementation of a Resolution Management System by submitted quarterly reports to Council	To enhance the management of Council resolutions by providing quarterly reports to Council on the progress made in regards to their implementation.	Number	-	-	-	-	4	0.5	4	4	4
Annual Review of By-laws submitted to Council	Annual reviews of all identified municipal by-laws: <ul style="list-style-type: none"> • Control of the Seashore • Water • Stormwater • Sewerage • Impoundment of Animals • Fences and Fencing • Refuse removal • Funeral parlours • Community Fire safety • Events 	Number	-	-	-	-	-	-	9	10	10

Table 139: Property; Legal; and Procurement Services (Other) Taken From IDP

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Employees: Property; Legal; Risk Management; and Procurement Services						
Job Level	2011/2012	2012/2013	2013/2014			
	Employees	Employees	Posts	Employees	Vacancies (fulltime equivalents)	Vacancies (as a % of total posts)
"Directors, Corporate Services, Community Services, Planning and Development and Technical Services "	4	4	4	4	0	0%
Manager : Development Planning (Contract)	0	0	1	1	0	0%
19 - 20	0	0	0	0	0	0%
16 - 18	1	1	2	2	0	0%
13 - 15	8	9	9	8	1	11%
10 - 12	9	11	12	12	0	0%
7 - 9	5	4	8	7	1	13%
4 - 6	21	27	24	24	0	0%
0 - 3	6	6	11	7	4	36%
Total	54	62	71	65	6	8%

Table 140: Employees: Other Administration

Financial Performance Year 2013/2014: Other Administration						
Details	2011/2012	2012/2013	2013/2014			
	Actual	Actual	Original Budget	Adjustment Budget	Actual	Variance to Budget
Total Operational Revenue	10 446	4 689	3 600	3 731	3 769	5 %
Expenditure:						
Employees	17 954	19 070	26 849	25 766	25 499	(5)%
Repairs and Maintenance	3 589	3 831	5 049	5 253	5 253	4 %
Other	(2 632)	1 036	17 796	19 032	18 631	5 %
Total Operational Expenditure	18 911	23 938	49 694	50 052	49 384	(1)%
Net Operational Expenditure	8 465	19 248	46 094	46 321	45 615	(1)%

Table 141: Financial Performance Year 2013/2014: Other Administration

Capital Expenditure						
Projects	R' 000					
	Original Budget	Adjustment Budget	Actual Expenditure	Variance from original budget	Variance from Adjusted budget	Total Project Value (2013/14 - 2015 /16)
Total All	431	691	995	131%	44%	1 850
Program Tools and Equipment	230	415	587	155%	41%	1 097
Program Office Furniture	201	276	327	63%	18%	587
Donated Erven Eden District Municipality			81	-	-	81
Program Air Conditioning				-	-	50
Total of sundry projects				-	-	35

Table 142: Capital Expenditure: Other Administration

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COMPONENT K: ORGANISATIONAL PERFORMANCE SCORECARD

The municipal scorecard (Top Layer SDBIP) consolidates service delivery targets set by Council / senior management and provides an overall picture of performance for the municipality as a whole, reflecting performance on its strategic objectives.

STRATEGIC OBJECTIVE NUMBER ONE

To promote access for all citizens to equitable, appropriate and sustainable infrastructure and services within a safe environment

Ref	Key Performance Indicator	Definition	Baseline (Previous years actual)	Progress on non-achievement previous year	Unit of Measure and (Type)	Annual Target	Annual Actual	Quarter 1 Target / Actual	Quarter 2 Target / Actual	Quarter 3 Target / Actual	Quarter 4 Target / Actual	Status Achieved	Measures taken to improve performance	Performance Management Comment	Management Comment	Target Future Years
TL01	Achieve Green Drop compliance for Knysna and Sedgefield WWTW	The Department of Water Affairs (DWA) has introduced a Green Drop certification programme for Waste Water Treatment Works (WWTWs). The Green Drop initiative has been implemented by DWA to ensure the progressive improvement of waste water treatment operations, so as to minimise the negative impact on the environment.	0 (Zero) WWTW comply with the Green Drop certification requirements	None Required	For 2014/2015 WWTW works expected to achieve Green Drop status - 2013/2014: 0 [zero] (Number)	0	0	0 / 0	0 / 0	0 / 0	0 / 0	Future Year/s Target	None required	None required	None required	2014/2015 [1] 2015/2016 [1] 2016/2017 [2]
TL02	The number of single residential properties with access to basic level of electricity.	The indicator reflects the number of residential properties that the Municipality is aware of which are connected to the municipal electrical infrastructure network for both credit and prepaid metering.	18 000 residential properties with access [Estimate new PI]	None Required	18 250 residential consumers captured on the Promun consumer masterfile - 18 250 [eighteen thousand two hundred and fifty] (Number)	18,250	18,852	0 / 0	0 / 0	0 / 0	18,250 / 18,852	Yes	None required	None required	None required	2014/2015 [18 600] 2015/2016 [18 650] 2016/2017 [18 700]
TL03	Maintain an Electrical Master / Maintenance Plan	In order to maintain all municipal electricity assets; to extend the lifespan of assets; annually review the infrastructure maintenance plan; and maintain assets within available budget	No Council approved master plan	Electricity Master-Plan for the Greater Knysna area to be finalised during the 2015/2016 financial year.	For 2015/2016 Master Plan submitted to Council for approval - 2013/2014: 0 [zero] (Number)	0	0	0 / 0	0 / 0	0 / 0	0 / 0	Future Year/s Target	None required	None required	None required	2014/2015 [1] 2015/2016 [-] 2016/2017 [-]

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Ref	Key Performance Indicator	Definition	Baseline (Previous years actual)	Progress on non-achievement previous year	Unit of Measure and (Type)	Annual Target	Annual Actual	Quarter 1 Target / Actual	Quarter 2 Target / Actual	Quarter 3 Target / Actual	Quarter 4 Target / Actual	Status Achieved	Measures taken to improve performance	Performance Management Comment	Management Comment	Target Future Years
TL04	Develop a Storm Water Master Plan	Develop a five-year master Storm Water Master Plan to manage storm water networks in Knysna Municipality. The Storm Water Master Plan will be approved by Council every five years with 2016/2017 being the first year and will be reviewed annually.	No Council approved master plan	None Required	For 2016/2017 Master Plan submitted to Council for approval - 2013/2014: 0 [zero] (Number)	0	0	0 / 0	0 / 0	0 / 0	0 / 0	Future Year/s Target	None required	None required	None required	2014/2015 [-] 2015/2016 [1] 2016/2017 [-]
TL05	Submit the updated pavement management system to Council every three years	The Pavement Management System (PMS) is a report on the condition of Knysna's roads as a result of inspections on site. The system contains the results of the inspection, proposes required remedial actions and lists these in priority and provides cost estimates. The PMS gives input into the annual and long term budget as well as tracks the back logs. It displays the information visually and groups the output in towns as well as wards.	Pavement management system approved by Council	None Required	For 2015/2016 Reviewed pavement management system submitted to Council - 2013/2014: 0 [zero] (Number)	0	0	0 / 0	0 / 0	0 / 0	0 / 0	Future Year/s Target	None required	None required	None required	2014/2015 [1] 2015/2016 [-] 2016/2017 [1]
TL06	Participate in the development of an Integrated Transport Plan	The five year Integrated Transport Plan for the Eden District was adopted in 2010 and incorporates a component focussing on Knysna Municipality and is reviewed on an annual basis. The Municipality actively participates in the continuous evolvement and implementation of this plan, budget permitting.	A plan was approved by Eden in 2010	None Required	Plan approved by Eden Council and submitted to Knysna Council - 1 [one] (Number)	1	0	0 / 0	0 / 0	0 / 0	1 / 0	No	ITP Input submitted to Eden DM prior to the end of June 2014. The draft ITP was presented at Eden DM Council on the 23rd of July 2014.	Problematic PI as the achievement thereof resides with another organisation (Eden District Municipality).	Not within the control of the municipality as approval resides with Eden DM and final approval is expected during the 2014/2015 financial year.	2014/2015 [-] 2015/2016 [-] 2016/2017 [-]
TL07	Annual review of the Water and Sewer Master Plan	The Water and Sewer Master Plan is approved by Council every five years (2010 current approval) and reviewed annually. The plan assists the Municipality to fulfil its obligation to ensure to ensure sustainable access to clean and affordable water to all citizens in its area of jurisdiction. The WSDP must also incorporate Water and Sewer Master Plan.	A master plan was approved by Council in 2010	None Required	Reviewed master plan submitted to Council for approval - 1 [one] (Number)	1	1	0 / 0	0 / 0	0 / 0	1 / 1	Yes	None required	None required	None required	2014/2015 [1] 2015/2016 [1] 2016/2017 [1]

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Ref	Key Performance Indicator	Definition	Baseline (Previous years actual)	Progress on non-achievement previous year	Unit of Measure and (Type)	Annual Target	Annual Actual	Quarter 1 Target / Actual	Quarter 2 Target / Actual	Quarter 3 Target / Actual	Quarter 4 Target / Actual	Status Achieved	Measures taken to improve performance	Performance Management Comment	Management Comment	Target Future Years
TL08	Produce class 0 quality drinking water	Percentage of tests that complies to with SANS (South African National Standard) 241 standards "SANS 241 specifies the quality of acceptable drinking water, defined in terms of microbiological, physical, aesthetic and chemical determinants, at the point of delivery." - ISBN 978-0-626-26115-3 This indicator measures the total of percentage achieved by all water treatment works in the Greater Knysna area as measured per sampling.	In excess of 90 [ninety] (Percentage) comply with SANS 241 [not provided 2011/12]	None Required	Comply with SANS 241 regarding the quality of drinking water, defined in terms of microbiological, physical, aesthetic and chemical determinants, at the point of delivery - 90 [ninety] (Percentage)	90	97.85	90 / 98.4	90 / 98	90 / 98	90 / 97	Yes	None required	None required	None required	2014/2015 [90] 2015/2016 [90] 2016/2017 [90]
TL09	Limit water unaccounted for by maintaining a loss percentage of less than 25%	This indicator measures unaccounted for water which represents the difference between "net production" (the volume of water delivered into the water network) and "consumption" (the volume of water that can be accounted for by legitimate consumption including the indigent consumption.) The reason for the higher than desirable target is due to the shortfall of funds for the required infrastructure refurbishment.	Below the target of 27 [twenty seven] (Percentage) [18% Annual Report 2011/12]	None Required	Water loss (Production - billed) / production - < 25 [twenty five] (Percentage)	25	9.52	25 / 9.52	25 / 9.52	25 / 9.52	25 / 9.52	Yes	None required	None required	None required	2014/2015 [<20] 2015/2016 [<20] 2016/2017 [<20]
TL10	The number of single residential properties with access to basic level of water.	The indicator reflects the number of residential properties that the Municipality is aware of which are connected to the municipal water infrastructure network	10 560 residential properties with access [Estimate new PI]	Data Management Officer post created and filled during August 2014. One of the functions of the post will be to determine service backlogs to produce more appropriate PI.	10 660 residential consumers captured on the Promun consumer masterfile - 10 660 [ten thousand six hundred and sixty] (Number)	10,660	10,606	0 / 0	0 / 0	0 / 0	10,660 / 10,606	No	Data Management Officer post created and filled during August 2014. One of the functions of the post will be to determine service backlogs to produce more appropriate performance indicators.	Performance section will liaise with the Data Management Officer in order to develop more appropriate and meaningful performance indicators in regards to basic service delivery.	Management to provide guidance and monitor progress	2014/2015 [10 390] 2015/2016 [10 410] 2016/2017 [10 430]

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Ref	Key Performance Indicator	Definition	Baseline (Previous years actual)	Progress on non-achievement previous year	Unit of Measure and (Type)	Annual Target	Annual Actual	Quarter 1 Target / Actual	Quarter 2 Target / Actual	Quarter 3 Target / Actual	Quarter 4 Target / Actual	Status Achieved	Measures taken to improve performance	Performance Management Comment	Management Comment	Target Future Years
TL11	Annual review and submission of the Disaster Management Plan to Council	The purpose of the Disaster Management Plan (DMP) is to enhance the capacity of the Municipality to prevent and to deal with disaster and to mitigate against high risk of disaster. The DMP is seen as the information guide to the relevant role players. It advises the role players in case of a disaster how to prevent or at least mitigate negative effects on the Greater Knysna. The DMP will be the basis to establish procedures which will assure maximum and efficient utilisation of all resources in and around the Greater Knysna area to minimize the loss of life and/or injury. With a comprehensive DMP, Knysna Municipality will be better prepared to support local communities in dealing with disasters and to speed up recovery processes. It is crucial to have effective and efficient disaster risk management in order to save lives, prevent escalation of emergencies and incidents and relive suffering. The plan must be reviewed annually and submitted to Council for approval.	Annually review and approved Disaster Management Plan	None Required	Reviewed Disaster Management Plan submitted to Council for approval - 1 [one] (Number)	1	1	0 / 0	0 / 1	1 / 1	0 / 1	Yes	None required	None required	None required	2014/2015 [-] 2015/2016 [-] 2016/2017 [-]

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Ref	Key Performance Indicator	Definition	Baseline (Previous years actual)	Progress on non-achievement previous year	Unit of Measure and (Type)	Annual Target	Annual Actual	Quarter 1 Target / Actual	Quarter 2 Target / Actual	Quarter 3 Target / Actual	Quarter 4 Target / Actual	Status Achieved	Measures taken to improve performance	Performance Management Comment	Management Comment	Target Future Years
TL12	Provide 300 housing opportunities persons seeking a housing opportunity	A housing opportunity is access to ¹⁶ and/or delivery of one of the following housing products: (A) subsidy housing (BNG), which provides a minimum 40 m ² house; (B) incremental housing, which provides a serviced site with or without tenure; (C) rental housing, which is new community residential units, upgrading and redevelopment of existing rental units; (D) People's Housing Process, i.e. beneficiaries who maximise their housing subsidy by building or organising the building of their homes themselves; (E) land restitution including land approved by Council or court decisions transferred to valid claimants; (F) social housing, namely new rental units delivered by the municipalities social housing partners; or (G) gap housing, which is a serviced plot, a completed unit for sale or affordable units for sale.	450 [four hundred and fifty] (Number) completed 2011/12 as per Annual Report. Projected 400 [four hundred] (Number) completed 2012/2013	Significant improvement during the 2013/2014 financial year additional measures implemented to ensure additional improvement in 2014/2015.	Copies of the invoices from the Attorney responsible for the conveyancing and transfers which set out all the transfer agreements sent to the Deeds Office are stored on Collaborator - 300 (Number)	300	272	75 / 101	75 / 75	75 / 77	75 / 19	No	Performance indicator to be implemented by Corporate and Planning and Development directorates during 2014/2014.	Significant improvement during 2013/2014 and it is expected that the planned outcome will be achieved by the end of the 2014/2015	Satisfied with processes undertaken taken to address the underperformance during 2013/2014.	2014/2015 [-] 2015/2016 [-] 2016/2017 [-]
Prior year	Implementation of the access to basic service programme	This indicator reflects the number of toilets provided in informal settlements during the period under review in terms of the ABS project. Certain toilets may however have been vandalised or removed after provision.	750 toilets constructed page 32 2011/2012 Annual Report	See ¹⁷	Previous year only											

¹⁶ "Access to" means the same as contemplated in section 26(1) of the Constitution of the Republic of South Africa, 1996, namely "Everyone has the right to have access to adequate housing". An approved beneficiary is the person who has been approved for a housing grant by the Provincial Department of Human Settlements, in terms of the Housing Act. The approved occupier is the person with whom the Municipality has entered into a sales agreement in order to purchase the property.

¹⁷ Installation of 377 services in the informal area under ABS programme during 2013/2014. Dam-se-Bos South toilets to be connected and commissioned by the end of August 2014. Tender for the maintenance of Knysna toilets have been awarded. The maintenance of the bio toilets in Sedgefield has been awarded. The vandalized toilets in Sedgefield are in the process of being repaired

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Table 143: Strategic Object Number One Performance Scorecard

STRATEGIC OBJECTIVE NUMBER TWO

To ensure ecological integrity through sustainable practices of municipal governance

Ref	Key Performance Indicator	Definition	Baseline (Previous years actual)	Progress on non-achievement previous year	Unit of Measure and (Type)	Annual Target	Annual Actual	Quarter 1 Target / Actual	Quarter 2 Target / Actual	Quarter 3 Target / Actual	Quarter 4 Target / Actual	Status Achieved	Measures taken to improve performance	Performance Management Comment	Management Comment	Target Future Years
TL13	Submit monthly reports to Council to indicate compliance to standard set by DWA for waste water treatment effluent	The Department of Water Affairs (DWA) has set special standards for waste water effluent that seeks to measure and maintain the quality of the effluent in order prevent pollution of the environment. Monthly reports are submitted to Council reporting on the quality of effluent for all waste water treatment works. The higher standards instigated the Waste Water Treatment Works (WWTW) upgraded.	Monthly submission of waste water effluent laboratory tests to Council.	Target achieved since November 2013	Report containing the waste water effluent laboratory tests submitted to Council on a monthly basis. - 12 [twelve] (Number)	12	9	3 / 1	3 / 2	3 / 3	3 / 3	No	Process have been put in place to ensure that reports are submitted to Council monthly.	Performance Since November 2013	Satisfied with measures taken to meet the performance indicator	2014/2015 [-] 2015/2016 [-] 2016/2017 [-]
TL14	The number of single residential properties with access to basic level of sanitation.	The indicator reflects the number of residential properties that the Municipality is aware of connected to the municipal waste water (sanitation/sewerage) network irrespective of the number of water closets (toilets).	10 440 residential properties with access [Estimate new PI]	Data Management Officer post created and filled during August 2014. One of the functions of the post will be to determine service backlogs to produce more appropriate PI.	10 450 residential consumers captured on the Promun consumer masterfile - 10 450 [ten thousand four hundred and fifty] (Number)	10,450	11,216	0 / 0	0 / 0	0 / 0	10,450 / 11,216	Yes	None required	None required	None required	2014/2015 [9 950] 2015/2016 [9 970] 2016/2017 [9 990]

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Ref	Key Performance Indicator	Definition	Baseline (Previous years actual)	Progress on non-achievement previous year	Unit of Measure and (Type)	Annual Target	Annual Actual	Quarter 1 Target / Actual	Quarter 2 Target / Actual	Quarter 3 Target / Actual	Quarter 4 Target / Actual	Status Achieved	Measures taken to improve performance	Performance Management Comment	Management Comment	Target Future Years
TL15	The number of single residential properties with access to basic level of solid waste removal	This indicator reflects the number of single residential properties that the Municipality is aware of which are receiving a weekly door to door refuse removal service. This excludes vacant residential properties.	13 240 residential properties with access [Estimate new PI]	Data Management Officer post created and filled during August 2014. One of the functions of the post will be to determine service backlogs to produce more appropriate PI.	13 250 residential consumers captured on the Promun consumer masterfile - 13 250 [thirteen thousand two hundred and forty] (Number)	13,250	13,858	0 / 0	0 / 0	0 / 0	13,250 / 13,858	Yes	None required	None required	None required	2014/2015 [12 840] 2015/2016 [12 860] 2016/2017 [12 880]
TL17	Review of the Integrated Waste Management Plan – IWMP submitted to Council	The Integrated Waste Management Plan - IWMP is a requirement by legislation. It is an integrated waste management system and process aimed at waste minimisation, managing the impact of waste on the receiving environment over the entire waste circle which includes waste generation, storage, collection, transportation, treatment and disposal of waste. It is intended to guide municipalities and their partners to move away from fragmented and uncoordinated waste management towards an integrated system.	The Integrated Waste Management Plan was reviewed by Council during 2011/2012	None Required	For 2016/2017 Integrated Waste Management Plan submitted to Council for approval - 2013/2014: 0 [zero] (Number)	0	0	0 / 0	0 / 0	0 / 0	0 / 0	Future Year/s Target	None required	None required	None required	2014/2015 [-] 2015/2016 [-] 2016/2017 [-]
TL18	Participate in the development of an Integrated Coastal Management Strategy and submit to Council	Assist and collaborate with Eden District Municipality to develop an Integrated Coastal Management Strategy	No Integrated Coastal Management Strategy	None Required	Integrated Coastal Management Strategy submitted to Council - 1 [one] (Number)	1	1	0 / 0	0 / 0	0 / 0	1 / 1	Yes	None required	None required	None required	2014/2015 [-] 2015/2016 [-] 2016/2017 [-]
TL19	Submit report on alternative energy sources to Council	Investigate alternative energy supply opportunities for energy and submit report to Council.	Insufficient information available to support decision making	None Required	For 2015/2016 report submitted to Council - 2013/2014: 0 [zero] (Number)	0	0	0 / 0	0 / 0	0 / 0	0 / 0	Future Year/s Target	None required	None required	None required	2014/2015 [1] 2015/2016 [-] 2016/2017 [-]

Table 144: Strategic Object Number Two Performance Scorecard

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STRATEGIC OBJECTIVE NUMBER THREE

To create an enabling environment for economic growth that attracts investors, encourages innovation and facilitate pro-poor interventions

Ref	Key Performance Indicator	Definition	Baseline (Previous years actual)	Progress on non-achievement previous year	Unit of Measure and (Type)	Annual Target	Annual Actual	Quarter 1 Target / Actual	Quarter 2 Target / Actual	Quarter 3 Target / Actual	Quarter 4 Target / Actual	Status Achieved	Measures taken to improve performance	Performance Management Comment	Management Comment	Target Future Years
TL20	Report on Council Property Utilisation submitted to Council	Assess all Council property holdings for investment and/or development purposes and submit report to Council	Insufficient information available to support decision making	None Required	Report submitted to Council - 1 [one] (Number)	1	0	0 / 0	0 / 0	0 / 0	1 / 0	No	See ¹⁸ below	It is expected that the planned outcome will be achieved by the end of 2014.	Satisfied with processes undertaken taken to address the underperformance during 2013/2014.	2014/2015 [-] 2015/2016 [-] 2016/2017 [-]
TL21	Number of Expanded Public Works Programme (EPWP) job opportunities created	This indicator measures the number of work opportunities created through the Expanded Public Works Programme (EPWP). An EPWP work opportunity is paid work created for an individual on an EPWP project for any period of time, within the employment conditions of the Code of Good Practice for Special Public Works Programmes.	500 [five hundred] (Number) expected job opportunities created utilising the EPWP	None Required	550 expanded Public Works Programme (EPWP) job opportunities created - 550 [five hundred and fifty] (Number)	550	1,867	137 / 202	137 / 390	138 / 712	138 / 563	Yes	None required	None required	None required	2014/2015 [1 400] 2015/2016 [1 500] 2016/2017 [1 600]
TL22	Develop a Place Marketing Strategy	To submit to Council for approval a marketing and investment plan, possibly including investment incentives, with the objective of promoting the utilisation of vacant serviced sites for commerce and industry	New Performance Indicator	None Required	Marketing and Investment Plan submitted to Council - 1 [one] (Number)	1	1	0 / 0	0 / 0	1 / 1	0 / 0	Yes	None required	None required	None required	2014/2015 [-] 2015/2016 [-] 2016/2017 [0]
TL23	Participation in Land Use and Spatial Planning legislation development	Participate in provincial and national Land Use and spatial plan legislation development meetings	New Performance Indicator	None Required	Minutes of the four meetings captured on Collaborator - 4 [four] (Number)	4	6	1 / 3	1 / 1	1 / 1	1 / 1	Yes	None required	None required	None required	2014/2015 [-] 2015/2016 [-] 2016/2017 [-]

¹⁸ A verification of the asset register has recently been completed by the Informal Property Committee which consists of staff from Planning and Development, Properties, Legal and Finance. A report on Council properties will be presented to the Top Management Team in September 2014 and is planned to go into the committee cycle of Council in October 2014

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Ref	Key Performance Indicator	Definition	Baseline (Previous years actual)	Progress on non-achievement previous year	Unit of Measure and (Type)	Annual Target	Annual Actual	Quarter 1 Target / Actual	Quarter 2 Target / Actual	Quarter 3 Target / Actual	Quarter 4 Target / Actual	Status Achieved	Measures taken to improve performance	Performance Management Comment	Management Comment	Target Future Years
TL24	Formulation of draft development plans for Rheenendal and Karatara CRDP nodes	Rheenendal and Karatara rural wards have been identified and activated as Comprehensive Rural Development Wards as part of Department of Rural Development's CRDP initiative. The purpose of the programme is to harness all resources from various sources to provide key interventions to enable economic development within these rural settlements. Development plans in this regard will be drafted.	Two CoS (Council of Stakeholders) established one each in Karatara and Rheenendal	None Required	Draft development plans for Rheenendal and Karatara completed and submitted - 2 [two] (Number)	2	2	0 / 0	0 / 0	0 / 0	2 / 2	Yes	None required	None required	None required	2014/2015 [-] 2015/2016 [-] 2016/2017 [0]

Table 145: Strategic Object Number Three Performance Scorecard

STRATEGIC OBJECTIVE NUMBER FOUR

To facilitate real opportunities for youth, women, and disabled and appropriate care for the aged.

Ref	Key Performance Indicator	Definition	Baseline (Previous years actual)	Progress on non-achievement previous year	Unit of Measure and (Type)	Annual Target	Annual Actual	Quarter 1 Target / Actual	Quarter 2 Target / Actual	Quarter 3 Target / Actual	Quarter 4 Target / Actual	Status Achieved	Measures taken to improve performance	Performance Management Comment	Management Comment	Target Future Years
TL25	Number of Expanded Public Works Programme (EPWP) job opportunities created for women and youth	Number of Expanded Public Works Programme (EPWP) job opportunities created for youth and woman.	400 [four hundred] (Number) expected job opportunities for youth and woman created utilising the EPWP	None Required	420 expanded Public Works Programme (EPWP) job opportunities created for youth and woman - 420 [four hundred and twenty] (Number)	420	1,695	105 / 168	105 / 390	105 / 676	105 / 461	Yes	None required	None required	None required	2014/2015 [1 300] 2015/2016 [1 400] 2016/2017 [1 500]

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Ref	Key Performance Indicator	Definition	Baseline (Previous years actual)	Progress on non-achievement previous year	Unit of Measure and (Type)	Annual Target	Annual Actual	Quarter 1 Target / Actual	Quarter 2 Target / Actual	Quarter 3 Target / Actual	Quarter 4 Target / Actual	Status Achieved	Measures taken to improve performance	Performance Management Comment	Management Comment	Target Future Years
TL26	Appointment of Interns to the Youth Advisory Centres	<p>Appointments of youth advisory interns to fulfil the following functions:</p> <p>Assist in implementing programmes provided by the Youth Desk Market the Youth Desk in all areas of the community</p> <p>Provide information on all products and services for the Youth</p> <p>Mobilize young people to actively participate in youth development activities in the community</p> <p>Assist with planning, organizing and co-ordination of various events focussed on the youth</p> <p>Create working relations with other youth organisations and structures, NGO's and faith based organisations.</p> <p>Assist clients with basic computer skills, entrepreneurship development and job preparation (CV writing and interview skills)</p>	New Performance Indicator	None Required	Appointment of four interns at the Youth Advisory Centres - 4 [four] (Number)	4	4	0 / 0	4 / 4	0 / 0	0 / 4	Yes	None required	None required	None required	2014/2015 [-] 2015/2016 [-] 2016/2017 [-]
TL27	Roll out of awareness campaign for the HIV/AIDS and TB strategy	<p>HIV/AIDS and TB strategy to be implemented effectively and embarking on a comprehensive awareness campaign in partnership with Eden and the Departments of Social Development and Health. The HIV/AIDS and TB strategy will be reviewed as and when required</p> <p>A comprehensive awareness campaign to be rolled out in the next financial year with the assistance from Eden District Municipality</p>	Established HIV/AIDS Forum	None Required	A comprehensive awareness campaign rolled out with the assistance from Eden District Municipality - 1 [one] (Number)	1	1	0 / 0	0 / 1	0 / 1	1 / 1	Yes	None required	None required	None required	2014/2015 [1] 2015/2016 [1] 2016/2017 [1]

Table 146: Strategic Object Number Four Performance Scorecard

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STRATEGIC OBJECTIVE NUMBER FIVE

To ensure a municipality that is committed to an innovative approach, prudent investment of public funds, good governance, financial viability and optimal institutional transformation that accommodates diversity in service delivery

Ref	Key Performance Indicator	Definition	Baseline (Previous years actual)	Progress on non-achievement previous year	Unit of Measure and (Type)	Annual Target	Annual Actual	Quarter 1 Target / Actual	Quarter 2 Target / Actual	Quarter 3 Target / Actual	Quarter 4 Target / Actual	Status Achieved	Measures taken to improve performance	Performance Management Comment	Management Comment	Target Future Years
TL28	Financial viability as expressed by the following ratio: Debt Coverage	The ratio measures the ability to cover debt service payments with own revenue to aid in determining the financial viability of the municipality	14.2 (SA8)	Only moderately below the target. No intervention currently required.	(numerator / denominator) Total Revenue - Less: Grants recognised / Debt service payments due - 15.5 [fifteen point five] (Number)	15.5	32.78	0 / 0	0 / 0	0 / 0	15.5 / 32.78	Yes	None required	None required	None required	2014/2015 [20.5] 2015/2016 [22] 2016/2017 [22]
TL29	Financial viability as expressed by the following ratio: Cost Coverage	To calculate the ability to cover fixed cost with available cash to aid in determining the financial viability of the municipality	1.5 (SA8)	Only moderately below the target. No intervention currently required.	(numerator / denominator) Cash and cash equivalents and Investments / Fixed monthly cost - 1.3 [one point three] (Number)	1.3	7.94	0 / 0	0 / 0	0 / 0	1.3 / 7.94	Yes	None required	None required	None required	2014/2015 [0.7] 2015/2016 [1.6] 2016/2017 [1.6]
TL30	Financial viability as expressed by the following ratio: Outstanding Service Debtors to Revenue	To calculate the ratio of service debtor to service revenue to aid in determining the financial viability of the municipality	16.4 (SA8)	Only moderately below the target. No intervention currently required.	(numerator / denominator) Total outstanding debtors / Total service revenue - 15.5 [fifteen and a half] (Percentage)	15.5	28.7	0 / 0	0 / 0	0 / 0	15.5 / 28.7	No	Detailed financial information available in the Annual Financial Statements.	Ratios are only available once the Annual Financial Statements are completed, currently this is the same date as the Annual Performance Report making it impossible for the Performance section to comment on the outcome.	Ongoing monitoring and reporting in terms of National Treasury Circular no. 71 Uniform Financial Ratios and Norms will be phased in from 2014/2015.	2014/2015 [21.4] 2015/2016 [22.1] 2016/2017 [22.1]

Chapter 3

Ref	Key Performance Indicator	Definition	Baseline (Previous years actual)	Progress on non-achievement previous year	Unit of Measure and (Type)	Annual Target	Annual Actual	Quarter 1 Target / Actual	Quarter 2 Target / Actual	Quarter 3 Target / Actual	Quarter 4 Target / Actual	Status Achieved	Measures taken to improve performance	Performance Management Comment	Management Comment	Target Future Years
TL31	Review budget implementation policies; Budget, Cash, Liability and Investment Management, Credit Control, Funding and Reserves, Indigent and Social Rebate, Property Rates, Supply Chain Management, Tariffs	<p>Budget policies serve as the cornerstone of financial viability and ensure that the Municipality remains an on-going concern.</p> <p>The budget policies provide the link between the Municipality's financial strategy and its day-to-day operations.</p> <p>The Budget policy should allow Council to produce future budgets that are realistic, practical and affordable to the residents which in itself is already a major step forward for the Municipality.</p>	8 Policies approved with budget by Council resolution	None Required	Policies reviewed and amended during annual budget process - 8 [eight] (Number)	8	8	0 / 0	0 / 0	0 / 0	8 / 8	Yes	None required	None required	None required	2014/2015 [-] 2015/2016 [-] 2016/2017 [-]
TL33	Debtors payment level	The debtor's payment level directly relates to the municipalities capacity to collect amounts due in regards to rates, service and sundry charges and is fundamental to maintain positive cash flows and ensuring stability and long term financial viability. (SA8)	95 [ninety five] (Percentage)	None Required	Payment % (last 12 months receipts / last 12 months billing) July 2012 - June 2013 - 94 [ninety four] (Percentage)	94	95.3	0 / 0	0 / 0	0 / 0	94 / 95.3	Yes	None required	None required	None required	2014/2015 [91.8] 2015/2016 [91.9] 2016/2017 [92]
TL38	Submit report on Alternative Sources of Funding to Council	Investigate the feasibility of appointing an external service provider to identify and source additional sources of funding for financing major projects and table a report to Council in this regard.	New Performance Indicator	None Required	Feasibility study completed and submitted to Council - 1 [one] (Number)	1	1	0 / 0	0 / 0	0 / 0	1 / 1	Yes	None required	None required	None required	2014/2015 [-] 2015/2016 [-] 2016/2017 [-]

Chapter 3

Ref	Key Performance Indicator	Definition	Baseline (Previous years actual)	Progress on non-achievement previous year	Unit of Measure and (Type)	Annual Target	Annual Actual	Quarter 1 Target / Actual	Quarter 2 Target / Actual	Quarter 3 Target / Actual	Quarter 4 Target / Actual	Status Achieved	Measures taken to improve performance	Performance Management Comment	Management Comment	Target Future Years
TL34	The number of single residential properties earning less than R2500 per month with access to free basic services. WATER	This indicator reflects the 100% social rebate granted in respect to the annual water availability fee charged to qualifying home owners of single residential properties.	Estimated 1 410 [one thousand four hundred and ten] (Number)	Reporting only performance indicator required by regulation the achievement resides outside of Councils control as it depends on applications received from public. Therefore no steps required to improve performance.	No of single residential properties receiving free basic water as per the indigent register - 1 410 [one thousand four hundred and ten] (Number)	1,410	1,136	0 / 0	0 / 0	0 / 0	1,410 / 1,136	No	Reporting only performance indicator required by regulation the achievement resides outside of Councils control as it depends on applications received from public. Therefore no steps required to improve performance.	Currently a proxy indicator for reporting purposes the performance section will liaise with the Data Management Officer in order to determine if more appropriate and meaningful performance indicators in regards to performance indicators related to service delivery.	Management to provide guidance and monitor progress	2014/2015 [940] 2015/2016 [960] 2016/2017 [970]
TL35	The number of single residential properties earning less than R2500 per month with access to free basic services; SANITATION/ SEWERAGE	This indicator reflects the 100% social rebate granted in respect to the annual sanitation fee charged to qualifying home owners of single residential properties.	Estimated 1 410 [one thousand four hundred and ten] (Number)	None Required	No of single residential properties receiving free basic access to the sewerage network as per the indigent register - 1 410 [one thousand four hundred and ten] (Number)	1,410	1,091	0 / 0	0 / 0	0 / 0	1,410 / 1,091	No	Reporting only performance indicator required by regulation the achievement resides outside of Councils control as it depends on applications received from public. Therefore no steps required to improve performance.	Currently a proxy indicator for reporting purposes the performance section will liaise with the Data Management Officer in order to determine if more appropriate and meaningful performance indicators in regards to performance indicators related to service delivery.	Management to provide guidance and monitor progress	2014/2015 [1490] 2015/2016 [1500] 2016/2017 [1520]

Chapter 3

Ref	Key Performance Indicator	Definition	Baseline (Previous years actual)	Progress on non-achievement previous year	Unit of Measure and (Type)	Annual Target	Annual Actual	Quarter 1 Target / Actual	Quarter 2 Target / Actual	Quarter 3 Target / Actual	Quarter 4 Target / Actual	Status Achieved	Measures taken to improve performance	Performance Management Comment	Management Comment	Target Future Years
TL36	The number of single residential properties earning less than R2500 per month with access to free basic services; SOLID WASTE/ REFUSE	This indicator reflects the 100% social rebate granted in respect to the annual solid waste fee charged to qualifying home owners of single residential properties.	Estimated 1 410 [one thousand four hundred and ten] (Number)	None Required	No of single residential properties receiving free basic solid waste removal service as per the indigent register - 1 410 [one thousand four hundred and ten] (Number)	1,410	1,188	0 / 0	0 / 0	0 / 0	1,410 / 1,188	No	Reporting only performance indicator required by regulation the achievement resides outside of Councils control as it depends on applications received from public. Therefore no steps required to improve performance.	Currently a proxy indicator for reporting purposes the performance section will liaise with the Data Management Officer in order to determine if more appropriate and meaningful performance indicators in regards to performance indicators related to service delivery.	Management to provide guidance and monitor progress	2014/2015 [1510] 2015/2016 [1520] 2016/2017 [1540]
TL37	The number of single residential properties earning less than R2500 per month with access to free basic services; ELECTRICITY	This indicator relates to the Pre-Paid Electricity Tariff Electrification Housing Scheme (Limited to 20A) limited to 400kWh and first 50kWh free	Estimated 8 350 [eight thousand three hundred and fifty] (Number)	None Required	No of single residential properties receiving free basic electricity as per the indigent register - 8 350 [eight thousand three hundred and fifty] (Number)	8,350	8,480	0 / 0	0 / 0	0 / 0	8,350 / 8,480	Yes	None required	None required	None required	2014/2015 [8400] 2015/2016 [8440] 2016/2017 [8480]
TL39	Develop a Long Term Financial Plan and submit to Council	To improve financial management and long term financial planning including the development of strategies to improve financial management and long term financial planning and develop strategies for financing capital projects and operational costs	New Performance Indicator	None Required	For 2015/2016 Long Term Financial Plan submitted to Council for approval - 2013/2014 0 [zero] (Number)	0	0	0 / 0	0 / 0	0 / 0	0 / 0	Future Year/s Target	None required	None required	None required	2014/2015 [1] 2015/2016 [-] 2016/2017 [-]

Chapter 3

Ref	Key Performance Indicator	Definition	Baseline (Previous years actual)	Progress on non-achievement previous year	Unit of Measure and (Type)	Annual Target	Annual Actual	Quarter 1 Target / Actual	Quarter 2 Target / Actual	Quarter 3 Target / Actual	Quarter 4 Target / Actual	Status Achieved	Measures taken to improve performance	Performance Management Comment	Management Comment	Target Future Years
TL40	Implement an individual performance management system up to second line managers	Individual performance is about linking individual employee's objectives with the Municipality's strategic objectives. The emphasis is on improvement, learning and development in order to achieve the overall vision of the Municipality and to create a high performance workforce. This process will be rolled out to other levels within the Municipality in line with available resources and capacity over the next few years.	Scorecards based on departmental SDBIP in place for Extended Management Team	None Required	Copy of signed performance scorecards - 100 [One hundred] (Percentage)	100	100	25 / 25	50 / 75	75 / 80	100 / 100	Yes	None required	None required	None required	2014/2015 [-] 2015/2016 [-] 2016/2017 [-]
TL42	Should it be required review of the Organisational Structure and submit to Council	An organisational structure provides guidance to all employees by laying out the official reporting relationships that govern the workflow of the Municipality. A review is not required annually, but is based upon the changing need of the organisation and the community it serves.	Current organisational structure approved by Council	None Required	Organisational structure approved by Council by 30 June - 1 [one] (Number)	1	1	0 / 0	0 / 0	0 / 0	1 / 1	Yes	None required	None required	None required	2014/2015 [-] 2015/2016 [-] 2016/2017 [-]
TL43	Effective implementation of Disciplinary Procedures by commencing with all disciplinary actions within 90 days of management being informed of the transgression	Execution of disciplinary procedures in line with the South African Local Government Bargaining Council's (SALGBC) Disciplinary Procedure and Code Collective Agreement to commence within in 90 days of management being informed.	90 [ninety] (percent)	None Required	# of days reporting the transgression to the employer to commencing with disciplinary action - 100 [one hundred] (Percentage)	100	100	100 / 100	100 / 100	100 / 100	100 / 100	Yes	None required	None required	None required	2014/2015 [-] 2015/2016 [-] 2016/2017 [-]
TL44	Review existing Information Technology Policy by the IT committee	On-going review of the IT policy is imperative to stay current with latest IT related developments and to inform employees what is required of them when using technology provided by the Municipality. It is critical to protect the Municipality by having a policy to govern areas such as internet and email usage, security, backups, software and hardware inventory and data retention.	IT policy approved by Council 2012/2013	None Required	IT policy reviewed by IT Committee by 30 June - 1 [one] (Number)	1	1	0 / 0	0 / 0	1 / 1	0 / 0	Yes	None required	None required	None required	2014/2015 [1] 2015/2016 [1] 2016/2017 [1]

Chapter 3

Ref	Key Performance Indicator	Definition	Baseline (Previous years actual)	Progress on non-achievement previous year	Unit of Measure and (Type)	Annual Target	Annual Actual	Quarter 1 Target / Actual	Quarter 2 Target / Actual	Quarter 3 Target / Actual	Quarter 4 Target / Actual	Status Achieved	Measures taken to improve performance	Performance Management Comment	Management Comment	Target Future Years
TL50	Hold two Risk Management Committee (RMC) meetings per annum	The Risk Management Committee functions as a nexus where all risk related governance issues are investigated and resolved. It is an oversight committee appointment by the municipal manager to review and assess the effectiveness and control processes of risk management within the Municipality and present the findings to assurance providers such as the Audit Committee, Internal Audit and the Auditor General.	Minimum of two meetings of the Risk Management Committee per year	None Required	The amount of the Risk Management Committee per year - 2 [two] (Number)	2	4	0 / 1	1 / 1	0 / 0	1 / 2	Yes	None required	None required	None required	2014/2015 [-] 2015/2016 [-] 2016/2017 [-]
TL53	Implementation of a Resolution Management System by submitted quarterly reports to Council	To enhance the management of Council resolutions by providing quarterly reports to Council on the progress made in regards to their implementation.	Currently utilising a manual system	None Required	Quarterly reports submitted to Council setting out the progress in regards to the implementation of resolutions - 4 [four] (Number)	4	0.5	1 / 0.5	1 / 0	1 / 0	1 / 0	No	The relevant Collaborator module has undergone major changes and corrections and can now produce the required report. It will thus not be a problem to comply with the requirement to submit quarterly reports to Council and the first report can be expected at the end of the second quarter of the 2014/15 financial year. This shall allow time for the final adjustments to the report to make it more user friendly and clearer.	It is expected that the planned outcome will be achieved by the end of 2014.	Satisfied with processes undertaken taken to address the underperformance during 2013/2014.	2014/2015 [4] 2015/2016 [4] 2016/2017 [4]

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Ref	Key Performance Indicator	Definition	Baseline (Previous years actual)	Progress on non-achievement previous year	Unit of Measure and (Type)	Annual Target	Annual Actual	Quarter 1 Target / Actual	Quarter 2 Target / Actual	Quarter 3 Target / Actual	Quarter 4 Target / Actual	Status Achieved	Measures taken to improve performance	Performance Management Comment	Management Comment	Target Future Years
TL54	Six IT Steering Committee meetings per annum	To improve the municipal capacity – Develop, implement systems to build institutional capacity and develop plan to integrate ICT systems 1) To monitor the implementation of the IT Policy 2) To receive reports on projects in IT and to agree changes in priorities and resources 3) To monitor the service levels set for IT and achievement thereof 4) To continuously monitor computing resource with respect to optimising and protecting its value through redeployment and/or renewal 5) To consider emerging IT developments and assess the potential for their deployment	A minimum of six IT steering Committee meetings held per year	None Required	IT Committee meetings held per annum - 6 [six] (Number)	6	6	1 / 2	2 / 2	1 / 2	2 / 0	Yes	None required	None required	None required	2014/2015 [-] 2015/2016 [-] 2016/2017 [-]
TL32	The percentage of a Municipality's capital budget actually spent on budgeted capital projects	Percentage reflecting year-to-date spend/total budget, less any contingent liabilities relating to the capital budget. The total budget is the Council-approved adjusted budget at the time of the measurement. Contingent liabilities are only identified at the year-end.	Between 90 - 100% (PIARM) (71% - 2011/2012)	None Required	(numerator / denominator) Capital Spent by Directorate / Capital Budget for Directorate - 100 [one hundred] (Percentage)	100	91	7 / 16.6	28 / 40.14	53 / 51.03	100 / 91	Yes	None required	None required	None required	2014/2015 [100] 2015/2016 [100] 2016/2017 [100]
TL41	Risk Management Implementation Plan	To improve risk management by developing and submitting the Risk Management Implementation Plan (as required in the Council approved Risk Management Strategy and Policy) to the Risk Management Committee	New Performance Indicator	None Required	Risk management implementation plan submitted to Risk Management Committee - 1 [one] (Number)	1	1	0 / 0	0 / 1	1 / 1	0 / 0	Yes	None required	None required	None required	2014/2015 [1] 2015/2016 [1] 2016/2017 [1]
TL51	Project clean audit. To achieve a clean audit opinion by 2014/15	This indicator measures good governance and accounting practices and will be evaluated and considered by the Auditor-General in determining his opinion. An unqualified audit opinion refers to the position where the auditor, having completed his audit, has no reservation as to the fairness of presentation of financial statements and their conformity with General Recognised Accounting Practices. This is referred to as a 'clean opinion'.	Unqualified with matters of emphasis	None Required	For 2013/14 Unqualified Audit issued by Auditor General - 2013/2014: 0 [zero] (Number)	0	1	0 / 0	0 / 1	0 / 0	0 / 0	Yes	None required	None required	None required	2014/2015 [1] 2015/2016 [1] 2016/2017 [1]

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Ref	Key Performance Indicator	Definition	Baseline (Previous years actual)	Progress on non-achievement previous year	Unit of Measure and (Type)	Annual Target	Annual Actual	Quarter 1 Target / Actual	Quarter 2 Target / Actual	Quarter 3 Target / Actual	Quarter 4 Target / Actual	Status Achieved	Measures taken to improve performance	Performance Management Comment	Management Comment	Target Future Years
TL52	The Risk Based Internal Audit Plan and Quality Assurance Programme approved annually by Audit Committee	<p>The Risk Based Audit Plan (RBAP) is based on the risks identified within the Municipality. The plan is approved by the Audit Committee and Council every three years and reviewed annually. The RBAP may be amended more frequently were required with approval from the Audit Committee and Council.</p> <p>The Internal Audit Quality Assurance and Improvement Program (QAIP) is designed to provide reasonable assurance to the various stakeholders of the Internal Audit activity that Internal Audit:</p> <p>1) Performs its work in accordance with its Charter, which is consistent with The Institute of Internal Auditors International Standards for the Professional Practice of Internal Auditing (Standards), Definition of Internal Auditing and Code of Ethics; 2) Operates in an effective and efficient manner; and 3) Is perceived by stakeholders as adding value and improving Internal Audit's operations. To that end, Internal Audit's QAIP will cover all aspects of the Internal Audit activity (Standard 1300).</p>	Risk Based Internal Audit Plan (RBAP) and Quality Assurance Programme (QAIP) approved annually by Audit Committee	None Required	A Risk based audit plan and a Quality Assurance Programme approved annually - 2 [two] (Number)	2	3	0 / 1	1 / 1	1 / 1	0 / 0	Yes	None required	None required	None required	2014/2015 [2] 2015/2016 [2] 2016/2017 [2]

Chapter 3

STRATEGIC OBJECTIVE NUMBER SIX

To develop progressive strategies to optimise the use of available human resources

Ref	Key Performance Indicator	Definition	Baseline (Previous years actual)	Progress on non-achievement previous year	Unit of Measure and (Type)	Annual Target	Annual Actual	Quarter 1 Target / Actual	Quarter 2 Target / Actual	Quarter 3 Target / Actual	Quarter 4 Target / Actual	Status Achieved	Measures taken to improve performance	Performance Management Comment	Management Comment	Target Future Years
TL45	Percentage of people from employment equity target groups employed in the three highest levels of management in compliance with the approved employment equity plan	The indicator measures the percentage of people from employment equity target groups employed in the three highest levels of (Municipal Manager, Directors and managers reporting to directors) management in compliance with the approved employment equity plan. Each directorate contributes to the corporate achievement of targets and goals by implementing its own objectives of quantitative and qualitative goal setting. The three highest levels are Top Management(MM and Directors); Managers reporting to Directors and Middle Management (Section Heads and Professionals)	80 [eighty] (Percentage)	Target achieved for 2013/2014	System: Approved employment equity plan versus actual employment figures as at 30 June Calculation: The number of employees at June 30 - 80 [eighty] (Percentage)	80	100	80 / 17	80 / 29	80 / 100	80 / 100	Yes	None required	None required	None required	2014/2015 [80] 2015/2016 [80] 2016/2017 [80]
TL46	Percentage budget spent on implementation of workplace skills plan (WSP)	Public Service employers in the national and provincial spheres of government are required in terms of Section 30 of the Skills Development Amendment Act to budget at least one percent [1%] of their payroll for the education and training of their employees. : Measured against training budget.	1 [one] (Percentage)	None Required	% Of personnel budget use for skills development - 1 [one] (Percentage)	1	0.33	0 / 0	0 / 0	0 / 0	1 / 0	No	From 2014/2015 all training votes will be managed by HR which should result in improved spending	The Performance section will monitor and report on progress made as a result in the change in methodology.	Management to monitor new methodology to ensure improved performance	2014/2015 [0.99] 2015/2016 [0.99] 2016/2017 [0.99]

Chapter 3

STRATEGIC OBJECTIVE NUMBER SEVEN

To establish a common vision and create coherence in government's work by seeking close partnerships with citizenry.

Ref	Key Performance Indicator	Definition	Baseline (Previous years actual)	Progress on non-achievement previous year	Unit of Measure and (Type)	Annual Target	Annual Actual	Quarter 1 Target / Actual	Quarter 2 Target / Actual	Quarter 3 Target / Actual	Quarter 4 Target / Actual	Status Achieved	Measures taken to improve performance	Performance Management Comment	Management Comment	Target Future Years
TL16	Establishment of a Sports Forum	Establish a functional sport forum/s with representation by the various sport codes represented in the Greater Knysna Municipal Area.	No functional Sports Forum	None Required	Inaugural Sport Forum meeting held and documented. - 1 [one] (Number)	1	1	0 / 0	0 / 0	0 / 1	1 / 1	Yes	None required	None required	None required	2014/2015 [-] 2015/2016 [-] 2016/2017 [-]
TL47	Completion of one Multi-purpose centre as a basis to operate Thusong programmes	Completion of one Multi-Purpose Centre in White Location.	New Performance Indicator	None Required	For 2015/2016 completion certificates captured on Collaborator - 2013/2014: 0 [zero] (Number)	0	0	0 / 0	0 / 0	0 / 0	0 / 0	Future Year/s Target	None required	None required	None required	2014/2015 [1] 2015/2016 [1] 2016/2017 [-]
TL48	Facilitation of one Training session for all Ward Committees	To enhance the effectiveness of ward committees – Training of ward committees in municipal systems, Integrated Development Planning, performance processes and ward-based planning. By facilitating a training session per working ward committee.	New Performance Indicator	None Required	Attendance register/s of Training session held for all Ward Committees - 1 [one] (Number)	1	5	0 / 0	0 / 0	0 / 0	1 / 5	Yes	None required	None required	None required	2014/2015 [-] 2015/2016 [-] 2016/2017 [-]
TL49	Develop a Law Enforcement Strategy and submit to Council	Develop a law enforcement strategy to improve law enforcement and policing regarding traffic and other violations.	New Performance Indicator	None Required	Law Enforcement Strategy completed and submitted to Council - 1 [one] (Number)	1	1	0 / 0	0 / 0	0 / 1	1 / 1	Yes	None required	None required	None required	2014/2015 [-] 2015/2016 [-] 2016/2017 [0]
TL55	Development of a draft Integrated Strategic Development Framework (ISDF) and table first draft to Council	To develop an Integrated Strategic Development Strategy – which integrates the review of the Human Settlement Plan, Economic Development Strategy, Environmental Management Plan, Spatial Development Framework and the Rural Development Strategy	Steering Committee for the development of the Integrated Strategic Development Framework established	None Required	Integrated Strategic Development Framework completed and submitted to Council - 1 [one] (Number)	1	1	0 / 0	0 / 0	0 / 0	1 / 1	Yes	None required	None required	None required	2014/2015 [-] 2015/2016 [-] 2016/2017 [-]

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Ref	Key Performance Indicator	Definition	Baseline (Previous years actual)	Progress on non-achievement previous year	Unit of Measure and (Type)	Annual Target	Annual Actual	Quarter 1 Target / Actual	Quarter 2 Target / Actual	Quarter 3 Target / Actual	Quarter 4 Target / Actual	Status Achieved	Measures taken to improve performance	Performance Management Comment	Management Comment	Target Future Years
Prior year	Develop a Library Customer Relations Policy.	Clarify and standardise the routine operational procedures of the library, especially as they relate to the borrowing privileges of the patrons.	New Performance Indicator	Policy approved by Council 29 May 2014	Previous year only											

Table 147 Strategic Object Number Seven Performance Scorecard

Chapter 4

CHAPTER 4 – ORGANISATIONAL DEVELOPMENT PERFORMANCE (PERFORMANCE REPORT PART II)

COMPONENT A: INTRODUCTION TO THE MUNICIPAL PERSONNEL

4.1 EMPLOYEE TOTALS, TURNOVER AND VACANCIES

Employee Totals

The Knysna Municipality currently employs 800 (including non-permanent positions) officials, who individually and collectively contribute to the achievement of Municipality's objectives. The primary objective of Human Resource Management is to render an innovative HR service that addresses both skills development and an administrative function.

Description	Employees					
	2011/2012	2012/2013	2012/2013			
	Employees	Employees	Approved Posts	Employees	Vacancies	Vacancies
Water	60	58	65	56	9	14%
Waste Water (Sanitation)	32	35	37	34	3	8%
Electricity	31	32	36	32	4	11%
Waste Management	90	93	94	92	2	2%
Housing	14	15	16	15	1	6%
Roads	72	78	78	71	7	9%
Transport	10	10	11	11	-	0%
Waste Water (Stormwater Drainage)	2	2	3	2	1	33%
Planning	11	11	19	16	3	16%
Local Economic Development	5	6	6	6	-	0%
Libraries; Archives; Museums; Galleries; Community Facilities; Other	59	62	71	61	10	14%
Cemeteries and Crematoriums	8	9	9	9	-	0%
Bio-Diversity; Landscape and Other	2	3	3	2	1	33%
Police (Safety and Security Officers)	29	35	40	38	2	5%
Fire Services	19	32	32	30	2	6%
Sport and Recreation	56	55	57	54	3	5%
Council, Committees and Pensioners	112	112	107	106	1	1%
Executive and Council	4	9	9	8	1	11%
Finance	64	72	76	73	3	4%
Human Resources	7	8	11	11	-	0%
ICT Services	6	8	10	8	2	20%
Property; Legal; Risk Management; and Procurement Services	54	62	71	65	6	8%
Totals	747	807	861	800	61	7%

Table 148: Employees Totals

Chapter 4

Turnover Rate

A high turnover rate may be costly to a Municipality and might negatively affect productivity, service delivery and institutional memory/organisational knowledge. Below is a table that shows the turnover rate within the Municipality. The turnover rate shows a steady decrease from 8.4% in 2010/2011 to 4.2% in 2013/2014.

The table below indicates the turn-over rate over the last four years:

Turn-over Rate				
Details	Total Appointments as of beginning of Financial Year No.	New Appointments	Terminations during the Financial Year No.	Turn-over Rate*
2010/2011	633	68	53	8.4%
2011/2012	643	41	32	5.0%
2012/2013	747	88	32	4.3%
2013/2014	807	41	34	4.2%

Table 149: Turn-over Rate

COMPONENT B: MANAGING THE MUNICIPAL WORKFORCE

4.2 POLICIES

Policies and plans provide guidance for fair and consistent staff treatment and a consistent approach to the managing of staff. The table below shows the HR policies and plans that are approved and that still needs to be developed:

HR Policies and Plans				
	Name of Policy	Completed %	Reviewed %	Date adopted by council or comment on failure to adopt
1	Affirmative Action	100	100	25 January 2005
2	Attraction and Retention	100	Under review	2004
3	Code of Conduct for employees	100	-	2000
4	Delegations, Authorisation and Responsibility	100	100	3 September 2012
5	Disciplinary Code and Procedures	100	Under review	It is a Bargaining Council document
6	Essential Services	0	0	It is in the agenda of the Local Labour Forum.
7	Employee Assistance / Wellness	100	100	25 Jan 2005
8	Employment Equity	100	100	25 Jan 2005
9	Exit Management	-	-	
10	Grievance Procedures	100	100	It is a Bargaining Council document
11	HIV/Aids	100	100	25 Jan 2005
12	Human Resource and Development	100	100	August 2013
13	Information Technology	100	100	2013
14	Job Evaluation	100	100	August 2002. It is a SALGA process
15	Leave	100	100	2013
16	Occupational Health and Safety	100	100	2013

Chapter 4

HR Policies and Plans				
	Name of Policy	Completed %	Reviewed %	Date adopted by council or comment on failure to adopt
17	Official Housing	100	100	29 March 2007
18	Official Journeys	100	100	2006
19	Official transport to attend Funerals	-	-	
20	Official Working Hours and Overtime	100	100	2006
21	Organisational Rights	100	100	2007, It is a Bargaining Council document.
22	Payroll Deductions	-	-	
23	Performance Management and Development	100	-	22 June 2012
24	Recruitment, Selection and Appointments	100	Under review	2004
25	Remuneration Scales and Allowances	100	100	It is a Bargaining Council document
26	Resettlement	-	-	
27	Sexual Harassment	100	-	25 Jan 2005
28	Skills Development	100	100	2013
29	Smoking	100	-	2001
30	Special Skills	-	-	
31	Work Organisation	-	-	
32	Uniforms and Protective Clothing	-	-	
33	Other: Experiential Learning and Internship	100	-	2006
34	Staff Bursary Policy	100	100	2007
35	Private Work Policy	100	-	2012
36	Acting Policy	100	-	2005
37	Ill Health Policy	100	-	2006
38	Cellular Telephone Policy	100	-	2010

Table 150: HR Policies and Plans

4.3 INJURIES, SICKNESS AND SUSPENSIONS

Injuries on Duty

Occupational injuries will influence the loss of man hours and therefore financial and productivity performance. The injury rate shows a moderate increase for the 2013/2014 financial year with 42 employees injured against 33 in the 2012/2013 financial year. Incidents are investigated to determine whether there was any negligence involved to ensure that it is an actual injury on duty.

Number and Cost of Injuries on Duty					
Type of injury	Injury Leave Taken	Employees using injury leave	Proportion employees using sick leave	Average Injury Leave per employee	Total Estimated Cost
	Days	No.	%	Days	R'000
Required basic medical attention only	270	42	13%	6.43	92
Temporary total disablement	0	0	0	0	0
Permanent disablement	0	0	0	0	0
Fatal	0	0	0	0	0
Total	270	42	16%	101	92

Table 151: Number and Cost of Injuries on Duty

Chapter 4

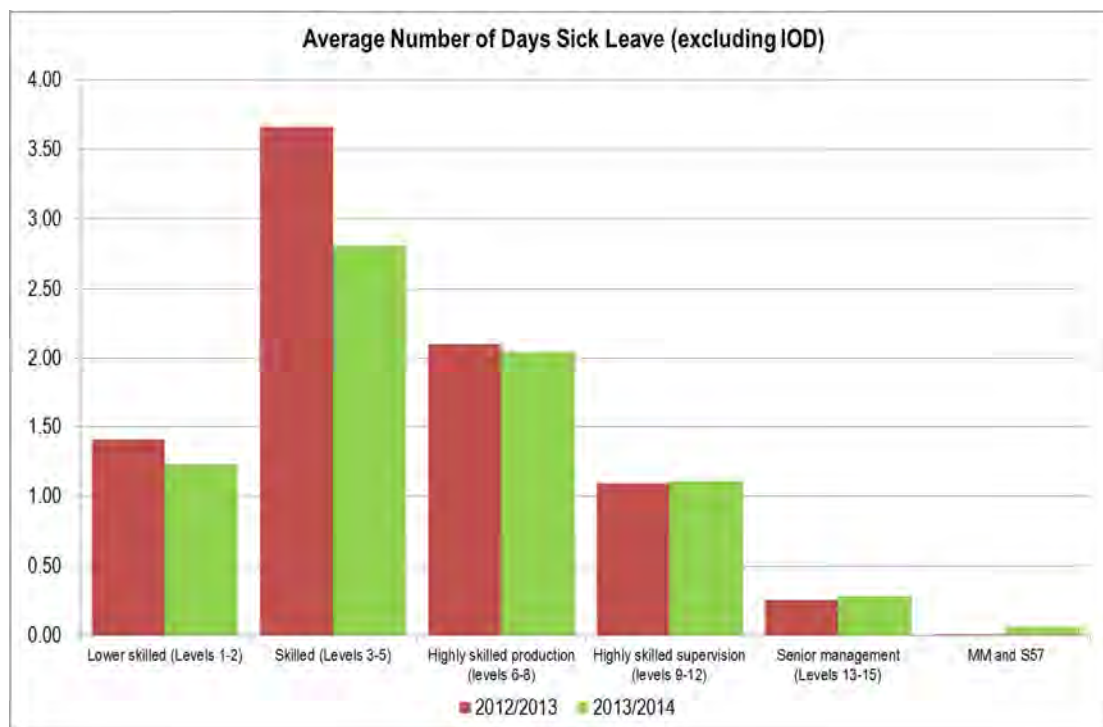
Sick Leave

The number of day's sick leave taken by employees has service delivery and cost implications. The monitoring of sick leave identifies certain patterns or trends. Once these patterns are identified, corrective action can be taken.

The table below indicates the total number sick leave days:

Number of days and Cost of Sick Leave (excluding injuries on duty)							
Salary band	Total sick leave 2012/2013	Total sick leave 2013/2014	Proportion of sick leave without medical certification	Employees using sick leave	Total employees in post*	*Average sick leave per Employees	Estimated cost
	Days	Days	%	No.	No.	Days	R' 000
Lower skilled (Levels 1-2)	897	861	14%	80	95	1.23	271
Skilled (Levels 3-5)	2 333	1 965	12%	191	227	2.81	657
Highly skilled production (levels 6-8)	1 340	1 430	29%	155	203	2.05	731
Highly skilled supervision (levels 9-12)	697	776	35%	102	134	1.11	667
Senior management (Levels 13-15)	161	197	37%	24	34	0.28	266
MM and S57	6	40	50%	5	6	0.06	172
Total	5 434	5 270	21%	557	699	7.54	2 765
* - Number of employees available to take leave during the financial year							
*Average is calculated by taking sick leave in column 2 divided by total employees in column 5							
Difference between total employees 4.1 and column 5 relates to Councillors, Ward Committee Members, Audit Committee members and Pensioners							

Table 152: Number of days and Cost of Sick Leave



Graph 9: Average Number of Days Sick Leave

Chapter 4

Injuries in the Operational Services are normally higher due to the nature of work and the constant handling of equipment and machinery.

No disciplinary actions were taken against any officials on cases of financial misconduct.

Disciplinary Action Taken on Cases of Financial Misconduct			
Position	Nature of Alleged Misconduct and Rand value of any loss to the municipality	Disciplinary action taken	Date Finalised
None			

Table 153: Disciplinary Action Taken on Cases of Financial Misconduct

4.4 PERFORMANCE REWARDS

In terms of regulation 8 of the Local Government: Municipal Performance Regulations for Municipal Managers and Managers Directly Accountable to Municipal Managers, 2006 R.805 a bonus may only be paid after the municipal council has adopted the annual report of the year under review.

The majority of Managers (Directors) appointed in terms of Section 56 of the MSA are on fixed-term performance contracts. The Individual Performance Management System has been cascaded down to the second reporting line of managers. Currently no performance bonus system or policy exists to pay bonus to non-section 57 employees. This will be put in place once the organisation achieves the necessary performance management maturity level.

The table below sets out the total number and cost of annual bonuses paid out to senior managers and fixed term contract employees for the 2013/2014 financial year:

Performance Rewards by Gender					
Designations	Beneficiary profile				
	Gender	Total number of employees in group	Number of beneficiaries	Expenditure on rewards R' 000	Proportion of beneficiaries within group %
Lower skilled (Levels 1-2)	Female	0	0	0	0
	Male	0	0	0	0
Skilled (Levels 3-5)	Female	0	0	0	0
	Male	0	0	0	0
Highly skilled production (levels 6-8)	Female	0	0	0	0
	Male	0	0	0	0
Highly skilled supervision (levels 9-12)	Female	0	0	0	0
	Male	0	0	0	0
Senior management (Levels 13-17)	Female	0	0	0	0
	Male	0	0	0	0
Acting directors and fixed contract employees	Female	0	0	0	0
	Male	6	6	85	100
MM and S57	Female	1	1	170	100
	Male	4	4	247	100
Total		11	11	502	100

Table 154: Performance Rewards by Gender

Chapter 4

COMPONENT C: CAPACITATING THE MUNICIPAL WORKFORCE

Section 68(1) of the MSA states that a municipality must develop its human resource capacity to a level that enables it to perform its functions and exercise its powers in an economical, effective, efficient and accountable way. For this purpose the human resource capacity of a Municipality must comply with the Skills Development Act (SDA), 1998 (Act No. 81 of 1998), and the Skills Development Levies Act, 20 1999 (Act No. 28 of 1999).

4.5 SKILLS DEVELOPMENT AND TRAINING

Management level	Gender	Employees in post as at 30 June Year 2014 No.	Number of skilled employees required and actual as at 30 June Year 2013/2014															
			Learnerships				Skills programmes and other short courses				Other forms of training				Total			
			Actual: End of Year 11/12	Actual: End of Year 12/13	Actual: End of Year 13/14	Year 14/15 Target	Actual: End of Year 11/12	Actual: End of Year 12/13	Actual: End of Year 13/14	Year 14/15 Target	Actual: End of Year 11/12	Actual: End of Year 12/13	Actual: End of Year 13/14	Year 14/15 Target	Actual : End of Year 11/12	Actual : End of Year 12/13	Actual : End of Year 13/14	Year 14/15 Target
MM and s57	Female	1						1	1							1	1	
	Male	4						4	3							4	3	
Councillors, senior officials and managers	Female	16						5	2							5	2	
	Male	27		1	1			12	0			5				18	1	
Technicians and associate professionals*	Female	7						1	0			2				3	0	
	Male	33						0	2			11				11	2	
Professionals	Female	27		1	1			7	1			6				14	2	
	Male	16		1				7	3			7				15	3	
Sub total	Female	51	0	1	1	0	0	14	4	0	0	8	0	0	0	23	5	
	Male	80	0	2	1	0	0	23	8	0	0	23	0	0	0	48	9	
Total		131	0	3	2	0	0	37	12	0	0	31	0	0	0	71	14	0

Table 155: Skills Matrix

Chapter 4

Financial Competency Development: Progress Report*						
Description	A. Total number of officials employed by municipality (Regulation 14(4)(a) and (c))	B. Total number of officials employed by municipal entities (Regulation 14(4)(a) and (c))	Consolidated: Total of A and B	Consolidated: Competency assessments completed for A and B (Regulation 14(4)(b) and (d))	Consolidated: Total number of officials whose performance agreements comply with Regulation 16 (Regulation 14(4)(f))	Consolidated: Total number of officials that meet prescribed competency levels (Regulation 14(4)(e))
Financial Officials						
<i>Accounting officer</i>	1	0	1	0	1	1
<i>Chief financial officer</i>	1	0	1	0	1	1
<i>Senior managers</i>	4	0	4	0	4	4
<i>Any other financial officials</i>	20	0	20	0	0	16
Supply Chain Management Officials						
<i>Heads of supply chain management units</i>	1	0	1	0	0	1
<i>Supply chain management senior managers</i>	0	0	0	0	0	0
TOTAL	27	0	27	0	6	23

Table 156: Financial Competency Development: Progress Report

* This is a statutory report under the National Treasury: Local Government: MFMA Competency Regulations (June 2007)

The table below indicates that a total amount budgeted and spent in terms of the workplace skills plan:

Skills Development - Budget Allocation						
Financial Year	Total personnel budget	Total Original Training Budget	Total Amended Training Budget	Total Spend	Variance to Original Budget %	Variance to Amended Budget %
2011/2012	131 526	1 555	1 302	883	57	68
2012/2013	149 023	1 304	1 431	930	71	65
2013/2014	162 830	1 097	994	538	49	54

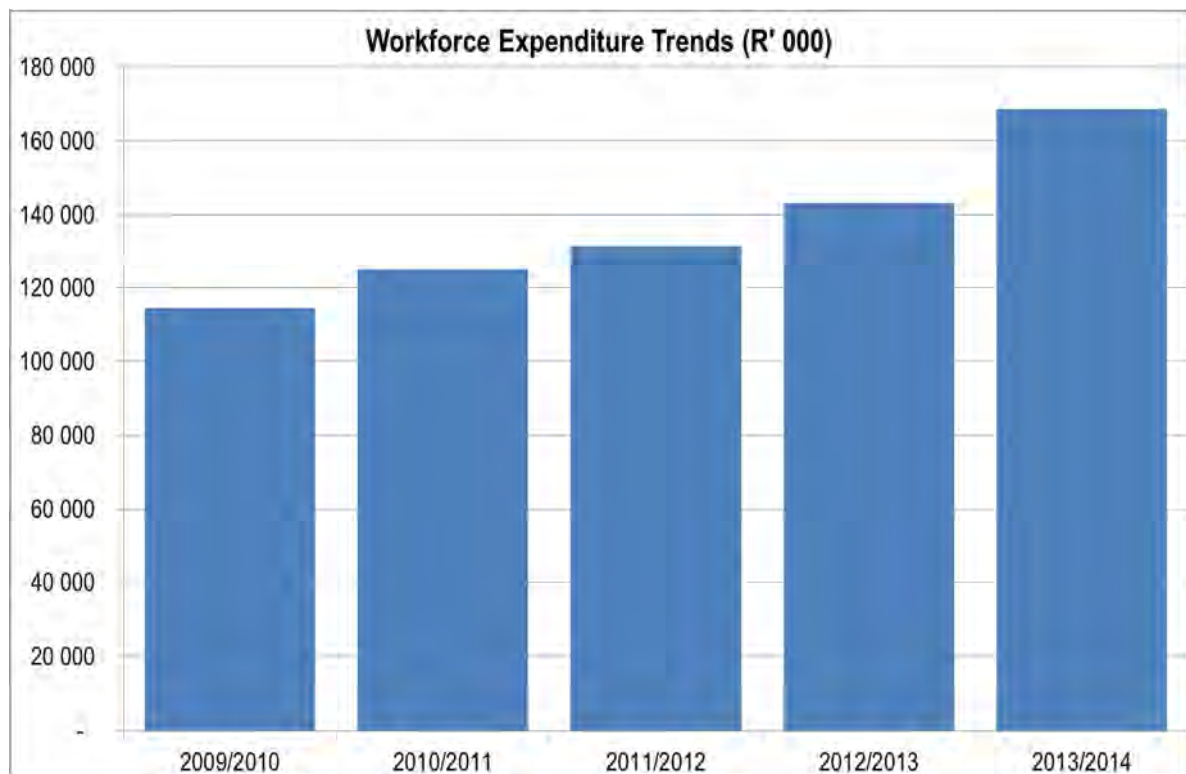
Table 157: Skills Development Expenditure

Chapter 4

COMPONENT D: MANAGING THE WORKFORCE EXPENDITURE

Section 66 of the MSA states that the Accounting Officer of a Municipality must report to the Council on all expenditure incurred by the Municipality on staff salaries, wages, allowances and benefits. This is in line with the requirements of the Public Service Regulations, (2002), as well as National Treasury Budget and Reporting Regulations SA22 and SA23.

4.6 EMPLOYEE EXPENDITURE



Graph 10: Workforce Expenditure Trends

Number of Employees whose Salaries Were Increased due to Their Positions Being Upgraded		
Beneficiaries	Gender	Total
Lower skilled (Levels 1-2)	Female	0
	Male	0
Skilled (Levels 3-5)	Female	0
	Male	0
Highly skilled production (Levels 6-8)	Female	0
	Male	0
Highly skilled supervision (Levels 9-12)	Female	0
	Male	0
Senior management (Levels 13-17)	Female	0
	Male	0
MM and S 57	Female	0
	Male	0
Total		0

Table 158: Number of Employees whose Salaries Were Increased due to Their Positions Being Upgraded

Chapter 4

Employees whose Salary Levels Exceed the Grade Determined by Job Evaluation				
Occupation	Number of employees	TASK Job evaluation level	Remuneration level	Reason for deviation
General Worker	2	2	R 77 064	Internal equalisation after amalgamation of other smaller municipalities into Greater Knysna Municipality. Implementation of Task.
General Assistant	1	3	R 81 336	Internal equalisation after amalgamation of other smaller municipalities into Greater Knysna Municipality. Implementation of Task.
Handyman Assistant	1	4	R 96 912	Internal equalisation after amalgamation of other smaller municipalities into Greater Knysna Municipality. Implementation of Task.
Cashiers	6	5	R 100 656 – R 121 008	Internal equalisation of salaries after amalgamation of other smaller municipalities into Greater Knysna Municipality.
Clerk	1	5	R 114 840	Internal equalisation after amalgamation of other smaller municipalities into Greater Knysna Municipality. Implementation of Task.
Field Worker	1	5	R 102 264	Implementation of Task
Meter Readers	4	5	R 104 016 – R 105 672	Internal equalisation after amalgamation of other smaller municipalities into Greater Knysna Municipality. Implementation of Task.
Junior Library Assistants	5	5	R99 096 - R105 672	Implementation of Task.
Library Assistants (2x TE7 and 1x TE6)	3	6 + 7	R 100 656 – R 140 328	Internal equalisation of salaries after amalgamation of other smaller municipalities into Greater Knysna Municipality.
Plant Operator	1	6	R 140 352	Implementation of Task.
Secretary	4	6	R 128 760 – R 157 632	Internal equalisation after amalgamation of other smaller municipalities into Greater Knysna Municipality. Implementation of Task.
Senior Cashier	1	6	R 169 704	Implementation of Task.
Senior Clerks (13 x TE6 and 1 Speeding Violation TE7)	14	6 + 7	Ranges from R 121 032 – R 169 704	Internal equalisation of salaries after amalgamation of other smaller municipalities into Greater Knysna Municipality, experience and implementation of Task.
Executive Secretary	2	7	R 153 648 – R 201 816	Internal equalisation after amalgamation of other smaller municipalities into Greater Knysna Municipality. Implementation of Task.
Junior Fireman	1	7	R 140 328	Implementation of Task.
Principal Clerk	1	7	R 140 352	Implementation of Task.
Senior Supervisor	6	7	R 143 400 – R 169 704	Internal equalisation of salaries after amalgamation of other smaller municipalities into Greater Knysna Municipality, implementation of Task and experience
Supervisors	13	7	Ranges from R 150 072 – R 169 704	Internal equalisation of salaries after amalgamation of other municipalities into Greater Knysna Municipality, implementation of Task.
Chief Clerks	3	8	R 169 704 – R 201 840	Internal equalisation after amalgamation of other smaller municipalities into Greater Knysna Municipality. Implementation of Task.
Officers	2	8	R 184 704 – R 201 840	Internal equalisation after amalgamation of other smaller municipalities into Greater Knysna Municipality. Implementation of Task.

Chapter 4

Employees whose Salary Levels Exceed the Grade Determined by Job Evaluation				
Occupation	Number of employees	TASK Job evaluation level	Remuneration level	Reason for deviation
Foreman	1	9	R 201 816	Implementation of Task
Building Inspector	1	10	R 201 840	Implementation of Task.
Electrician	1	10	R 201 816	Internal equalisation after amalgamation of other smaller municipalities into Greater Knysna Municipality. Implementation of Task.
Traffic Officer	1	10	R 201 840	Internal equalisation after amalgamation of other smaller municipalities into Greater Knysna Municipality. Implementation of Task.
Administration Officer (Building Control TE8 and Licensing TE11)	2	8 + 11	R169 704 - R246 096	Internal equalisation after amalgamation of other smaller municipalities into Greater Knysna Municipality. Implementation of Task.
Controllers	2	11	R 246 096	Internal equalisation of salaries after amalgamation of municipalities into Greater Knysna
Project Coordinator	1	11	R 271 704	Internal equalisation after amalgamation of other smaller municipalities into Greater Knysna Municipality. Implementation of Task.
Accountant	1	12	R 300 000	Internal equalisation after amalgamation of other smaller municipalities into Greater Knysna Municipality.
Building Control Officer	1	12	R 300 000	Implementation of Task.
Compliance Officer	1	12	R 292 464	Redundancy and placement into a new position.
Superintendent	1	12	R 300 000	Internal equalisation after amalgamation of other smaller municipalities into Greater Knysna Municipality. Implementation of Task.
GIS Technician	1	9	R 199 896	Implementation of Task.
Deputy Manager: Income	1	13	R 331 152	Internal equalisation after amalgamation of other smaller municipalities into Greater Knysna Municipality. Implementation of Task.

Table 159: Employees whose Salary Levels Exceed the Grade Determined by Job Evaluation

Employees appointed to posts not approved				
Department	Level	Date of appointment	No. appointed	Reason for appointment when no established post exist
There are no people employed on posts not approved	-	-	-	-

Table 160: Employees appointed to posts not approved

Chapter 5

CHAPTER 5 – FINANCIAL PERFORMANCE

To be completed as part of the Annual Report Process on completion of the Auditor General's Report.

Chapter 6

CHAPTER 6 – AUDITOR GENERAL AUDIT FINDINGS

COMPONENT A: AUDITOR-GENERAL OPINION OF FINANCIAL STATEMENTS 2011/2012

6.1 AUDITOR GENERAL REPORTS YEAR 2012/2013

Audit Report Status
Clean Audit Outcome: The financial statements are free from material misstatements (in other words, a financially unqualified audit opinion) and there are no material findings on reporting on performance objectives or non-compliance with legislation. ¹⁹

Table 161: Audit Report Status

Auditor-General Report on Financial Performance 2012/2013	
Issue raised	Corrective step implemented
Emphasis of matter:	
Significant uncertainties	
As disclosed in note 50.1 to the financial statements, the municipality is the defendant in an action instituted for damages and claims against the municipality for R2 030 750 plus interest of 15,5% per annum from 6 March 2004, bringing the total claim to R4 965 406. The ultimate outcome of the matter cannot presently be determined and no provision for any liability that may result has been made in the financial statements.	Action instituted for damages and claims payment of R 2 030 750 plus interest @ 15.5% p.a. from 06/03/2004 and costs (C02118). The plaintiff's former attorneys formally withdrew from acting on his behalf. Muller Terblance and Beyers Inc. of Worcester advised the Municipality that they have been appointed and will be serving an appropriate notice to this effect shortly. ²⁰
As disclosed in note 50.1 to the financial statements, the municipality is the defendant in an action by the Trade Union, IMATU, whereby they contested the implementation of a wage curve agreement in the Labour Court and the court ruled in favour of IMATU. The effect of the ruling is an approximate 2% increase in remuneration as from October 2009, bringing the claim to R5 873 116. The ultimate outcome of the matter cannot presently be determined and no provision for any liability that may result has been made in the financial statements.	The Trade Union, IMATU, contested the implementation of a wage curve agreement in the Labour Court and the court ruled in favour of IMATU. The Employers Organisation, SALGA, resolved to take the ruling of the Labour Court on review. The effect of the ruling is an approximate 2% increase in remuneration as from October 2009. The Labour Appeal Court ruled in favour of SALGA during the current reporting period. ²¹
Emphasis of matter:	
Material losses	
As disclosed in note 41.6 to the financial statements, the municipality incurred material distribution losses during the year. The details are as follows: <ul style="list-style-type: none"> Water: 806 mega litres, equalling 18,4% of purified water and amounting to R8 203 919 (2011-12: 14,4%) Electricity: 19 993 megawatts, equalling 10,9% of units purchased and amounting to R16 654 660 (2011-12: 8,7%) 	This is a standard inclusion from the Auditor-General. The main issues are in regard to water and electricity losses. Council is reducing these losses annually and is considerably below the national averages in this regard.

Table 162: Table 155: Auditor-General Report on Financial Performance 2012/2013

¹⁹ Auditor General

²⁰ Draft 203/2014 AFS Note 50.01

²¹ Draft 203/2014 AFS Note 50.01

Chapter 6

Auditor-General Report on Service Delivery Performance: Year 2012/2013	
Non-Compliance Issues	Remedial Action Taken
<u>Predetermined objectives</u>	
<u>Achievement of planned targets</u>	
Of the total number of 50 targets planned for the year, 14 targets were not achieved during the year under review. This represents 36% of total planned targets that were not achieved during the year under review. This was as a result of the municipality not considering relevant systems and evidential requirements during the annual strategic planning process.	In order to improve the over results in achieving performance indicator targets several approaches have been implemented including the ongoing increase in employee capacity and improvement of systems and processes.
<u>Material adjustments to the annual performance report</u>	
Material audit adjustments in the annual performance report were identified during the audit, all of which were corrected by management.	

Table 163: Auditor-General Report on Service Delivery Performance: Year 2012/2013

Auditor-General Report on Non-Compliance Issues: Year 2012/2013
<u>Compliance with laws and regulations</u>
I performed procedures to obtain evidence that the entity has complied with applicable laws and regulations regarding financial matters, financial management and other related matters.
I did not identify any instances of material non-compliance with specific matters in key applicable laws and regulations as set out in the general notice issued in terms of the PAA.

Table 164: Auditor-General Report on Non-Compliance Issues 2012/2013

COMPONENT B: AUDITOR-GENERAL OPINION YEAR 2013/2014

6.2 AUDITOR GENERAL REPORT YEAR 2013/2014

To be completed as part of the Annual Report Process on completion of the Auditor General's Report.

Glossary

GLOSSARY

Accessibility indicators	Explore whether the intended beneficiaries are able to access services or outputs.
Accountability documents	Documents used by executive authorities to give “full and regular” reports on the matters under their control to Parliament and provincial legislatures as prescribed by the Constitution. This includes plans, budgets, in-year and Annual Reports.
Activities	The processes or actions that use a range of inputs to produce the desired outputs and ultimately outcomes. In essence, activities describe “what we do”.
Adequacy indicators	The quantity of input or output relative to the need or demand.
Annual Report	A report to be prepared and submitted annually based on the regulations set out in Section 121 of the Municipal Finance Management Act. Such a report must include annual financial statements as submitted to and approved by the Auditor-General.
Approved Budget	The annual financial statements of a municipality as audited by the Auditor General and approved by council or a provincial or national executive.
Baseline	Current level of performance that a municipality aims to improve when setting performance targets. The baseline relates to the level of performance recorded in a year prior to the planning period.
Basic municipal service	A municipal service that is necessary to ensure an acceptable and reasonable quality of life to citizens within that particular area. If not provided it may endanger the public health and safety or the environment.
Budget year	The financial year for which an annual budget is to be approved – means a year ending on 30 June.
Cost indicators	The overall cost or expenditure of producing a specified quantity of outputs.
Distribution indicators	The distribution of capacity to deliver services.
Financial Statements	Includes at least a statement of financial position, statement of financial performance, cash-flow statement, notes to these statements and any other statements that may be prescribed.
General Key performance indicators	After consultation with MECs for local government, the Minister may prescribe general key performance indicators that are appropriate and applicable to local government generally.
Impact	The results of achieving specific outcomes, such as reducing poverty and creating jobs.
Inputs	All the resources that contribute to the production and delivery of outputs. Inputs are “what we use to do the work”. They include finances, personnel, equipment and buildings.
Integrated Development Plan (IDP)	Set out municipal goals and development plans.
National Key performance areas	<ul style="list-style-type: none"> • Service delivery and infrastructure • Economic development • Municipal transformation and institutional development • Financial viability and management • Good governance and community participation

Glossary

Outcomes	The medium-term results for specific beneficiaries that are the consequence of achieving specific outputs. Outcomes should relate clearly to an institution's strategic goals and objectives set out in its plans. Outcomes are "what we wish to achieve".
Outputs	The final products, or goods and services produced for delivery. Outputs may be defined as "what we produce or deliver". An output is a concrete achievement (i.e. a product such as a passport, an action such as a presentation or immunization, or a service such as processing an application) that contributes to the achievement of a Key Result Area.
Oversight Report	The oversight report is the final major step in the annual reporting process of a municipality. Section 129 of the MFMA requires the council to consider the annual reports of its municipality and municipal entities and to adopt an "oversight report" containing the council's comments on each annual report.
Performance Indicator	Indicators should be specified to measure performance in relation to input, activities, outputs, outcomes and impacts. An indicator is a type of information used to gauge the extent to which an output has been achieved (policy developed, presentation delivered, service rendered)
Performance Information	Generic term for non-financial information about municipal services and activities. Can also be used interchangeably with performance measure.
Performance Standards:	The minimum acceptable level of performance or the level of performance that is generally accepted. Standards are informed by legislative requirements and service-level agreements. Performance standards are mutually agreed criteria to describe how well work must be done in terms of quantity and/or quality and timeliness, to clarify the outputs and related activities of a job by describing what the required result should be. In this EPMDS performance standards are divided into indicators and the time factor.
Performance Targets:	The level of performance that municipalities and its employees strive to achieve. Performance Targets relate to current baselines and express a specific level of performance that a municipality aims to achieve within a given time period.
Service Delivery Budget Implementation Plan	Detailed plan approved by the mayor for implementing the municipality's delivery of services; including projections of the revenue collected and operational and capital expenditure by vote for each month. Service delivery targets and performance indicators must also be included.
Vote:	One of the main segments into which a budget of a municipality is divided for appropriation of money for the different departments or functional areas of the municipality. The Vote specifies the total amount that is appropriated for the purpose of a specific department or functional area. Section 1 of the MFMA defines a "vote" as: a) <i>one of the main segments into which a budget of a municipality is divided for the appropriation of money for the different departments or functional areas of the municipality; and</i> b) <i>which specifies the total amount that is appropriated for the purposes of the department or functional area concerned</i>

Appendices

APPENDICES

APPENDIX A – Councillors; Committee Allocation And Council Attendance

Councillors, Committees Allocated and Council Attendance																						
Council Members	Full Time (FT) / Part Time (PT)	Committees Allocated	*Ward and/ or Party Represented	Council Meetings July 2013 – June 2014 AWL – Absent with Leave AWOL – Absent without Leave P – Present NC – Not a Councillor															Number of Council Meetings Attended	Number of Apologies for non-attendance (AWL)	Percentage Council Meetings Attendance	Percentage Apologies for non-attendance
				2013							2014											
				25-Jul	05-Aug	30-Aug	26-Sep	28-Nov	06-Dec	12-Dec	30-Jan	17-Feb	27-Feb	27-Mar	30-Apr	29-May	05-Jun	26-Jun				
				15																		
Barrell, Raymond	PT		PR	P	P	P	P	P	P	P	P	P	P	P	P	P	P	P	15	0	100%	N/A
Dawson, Richard Alfred	FT	Governance and Economic Development Committee	Ward 10	P	P	P	P	P	P	P	P	P	P	P	P	P	P	P	15	0	100%	N/A
De Vries, Stephen	PT		PR	AWL	P	AWL	P	P	P	P	P	P	AWL	AWL	P	P	P	P	11	4	73%	100%
Dyantiyi, Mthobeli	PT		PR	AWOL	P	P	AWL	P	P	P	P	P	P	AWL	P	P	P	P	12	2	80%	67%
Edge, Esmé Dawn	FT	Finance Committee	PR	P	P	P	P	P	P	P	P	P	P	P	P	P	P	P	15	0	100%	N/A
Gombo, Titi Mertle Elizabeth	PT		Ward 7	AWL	P	P	P	P	P	A WL	P	P	P	P	P	P	P	P	13	1	87%	100%
Grootboom, Irene W J	PT		Ward 1	P	P	P	P	P	P	P	P	P	P	P	P	P	P	P	15	0	100%	N/A

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Councillors, Committees Allocated and Council Attendance																							
Council Members	Full Time (FT) / Part Time (PT)	Committees Allocated	*Ward and/ or Party Represented	Council Meetings July 2013 – June 2014 AWL – Absent with Leave AWOL – Absent without Leave P – Present NC – Not a Councillor																Number of Council Meetings Attended	Number of Apologies for non-attendance (AWL)	Percentage Council Meetings Attendance	Percentage Apologies for non-attendance
				2013								2014											
				25-Jul	05-Aug	30-Aug	26-Sep	28-Nov	06-Dec	12-Dec	30-Jan	17-Feb	27-Feb	27-Mar	30-Apr	29-May	05-Jun	26-Jun					
				15																			
Hart, Louisa Maria	FT	Planning, Development and Infrastructure Committee	Ward 2	P	P	P	P	P	P	P	P	P	P	P	P	P	P	P	15	0	100%	N/A	
Litoli, Wiseman Nkosinathi	PT		Ward 4	AWOL	P	P	P	P	P	P	P	P	P	AWL	AWL	AWOL	AWOL	AWL	9	3	60%	50%	
Lizwani, Migiel	PT		Ward 3	AWOL	P	P	P	P	P	P	P	P	P	P	P	P	P	P	14	0	93%	0%	
Nayler (Wakeford-Brown), Theodoris	PT		PR	P	P	P	P	P	P	P	P	P	P	P	AWL	P	P	P	14	1	93%	100%	
Nkam, Phumla Priscilla	PT		PR	AWOL	P	P	P	P	P	P	P	P	P	P	P	P	P	P	14	0	93%	0%	
Sopeki, Ntombizanele	PT		Ward 8	AWL	P	P	P	P	P	P	P	P	P	P	AWL	P	P	P	13	2	87%	100%	
Tyokolo (Hololoshe), Beauty	PT		PR	P	P	P	P	P	P	P	P	P	P	P	P	P	P	AWL	14	1	93%	100%	
Van Aswegen, Elick Ormonde	PT		PR	P	P	P	P	P	P	P	P	P	P	P	P	P	P	P	15	0	100%	N/A	
Wasserman, Michelle Louise	FT		Ward 9	P	P	P	P	P	P	P	P	P	P	P	P	P	P	P	15	0	100%	N/A	

Appendices

Councillors, Committees Allocated and Council Attendance																						
Council Members	Full Time (FT) / Part Time (PT)	Committees Allocated	*Ward and/ or Party Represented	Council Meetings July 2013 – June 2014 AWL – Absent with Leave AWOL – Absent without Leave P – Present NC – Not a Councillor															Number of Council Meetings Attended	Number of Apologies for non-attendance (AWL)	Percentage Council Meetings Attendance	Percentage Apologies for non-attendance
				2013								2014										
				25-Jul	05-Aug	30-Aug	26-Sep	28-Nov	06-Dec	12-Dec	30-Jan	17-Feb	27-Feb	27-Mar	30-Apr	29-May	05-Jun	26-Jun				
				15																		
Williams, Magdalena	FT	Community Services Committee	Ward 5	P	P	P	P	P	P	P	P	P	P	P	Deceased	Deceased	Deceased	Deceased	11	0	73%	N/A
Witbooi, Clive Kenneth	PT		Ward 6	AWL	P	P	P	P	P	P	P	P	P	P	P	P	P	P	14	1	93%	100%
Wolmarans, Georlene	FT	Mayoral Committee	PR	AWL	P	P	P	P	AWL	P	P	P	P	P	P	P	P	P	13	2	87%	100%

Table 165: Appendix A: Councillors, Committees Allocated and Council Attendance

Appendices

APPENDIX B – COMMITTEES AND COMMITTEE PURPOSES

Committees (other than Mayoral / Executive Committee) and Purposes of Committees	
Municipal Committees	Purpose of Committee
Finance Committee	Revenue, Expenditure, Budget Office, Supply Chain Management, IT and GIS, Valuations, Insurance, Payroll, IDP, Internal Audit
Governance and Economic Development Committee	Institutional, Corporate, Legal, Human Resources, Records, Contracts Management, Property Management, Administration, Council Committee and Council Support, Public Participation, Customer Care, Communications, Economic Development, Tourism, Arts, Culture, Heritage, Risk Management, PMS (operational aspects)
Community Services Committee	Fire and Rescue, Disaster Management, Traffic and Parking, Parks and Recreation, Libraries, Solid Waste, Social Services, Sport Development, Law Enforcement.
Planning Development and Infrastructure Committee	Town Planning and Building Control, Environmental Management, Integrated Human Settlements, Public Works, Water Services, Sewer, Developmental Planning (ECD, Standards and Specs, Contracts) PMU, Stormwater, Roads, Electricity

Table 166: Appendix B Committees and Committee Purposes

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APPENDIX C –THIRD TIER ADMINISTRATIVE STRUCTURE

Third Tier Structure	
Directorate	Director/Manager
Municipal Manager	Ms. Lauren Waring
Corporate Services	Mr. Bevan Ellman
Financial Services	Mr. Grant Easton
Planning and Development	Mr. Michael Maughan-Brown
Community Services	Mr. Dawid Adonis
Technical Services	Mr. Michael Rhode
Electrical Services	Mr. Len Richardson

Table 167: Appendix C Third Tier Administrative Structure

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APPENDIX D – FUNCTIONS OF MUNICIPALITY / ENTITY

Municipal Function	Municipal Responsibility
Constitution Schedule 4, Part B functions:	
Air pollution	Community Services
Building regulations	Development and Planning
Electricity reticulation	Electro-Technical Services
Firefighting services	Community Services
Local tourism	Corporate Services
Municipal planning	Development and Planning
Municipal public transport	Technical/Community Services
Municipal public works only in respect of the needs of municipalities in the discharge of their responsibilities to administer functions specifically assigned to them under this Constitution or any other law	Technical Services
Storm water management systems in built-up areas	Technical Services
Trading regulations enforcement	Community Services
Water and sanitation services limited to potable water supply systems and domestic waste-water and sewage disposal systems	Technical Services
Constitution Schedule 5, Part B functions:	
Beaches and amusement facilities	Community Services
Billboards and the display of advertisements in public places	Planning and Development
Cemeteries, funeral parlors and crematoria	Community Services
Cleansing	Community Services
Control of public nuisances	Community Services
Local amenities	Community and Technical Services
Local sport facilities	Community Services
Municipal parks and recreation	Community Services
Municipal roads	Technical Services
Noise pollution	Community Services
Public places	Community Services
Refuse removal, refuse dumps and solid waste disposal	Community Services
Street trading	Planning and Development
Street lighting	Electro-Technical Services
Traffic and parking	Community Services

Table 168: Appendix D Municipal Functions

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APPENDIX E – WARD REPORTING

Ward Number	Name of Ward Councillor and elected Ward committee members		Ward Councillor (WC) / Ward Committee Members (WCM)	Committee established (Yes / No)	Number of quarterly Committee meetings held during the year	Number of quarterly reports submitted to Ward Councillor on time	Number of quarterly public ward meetings held during year
	Surname	Initials					
1	Grootboom	IWJ	WC	Yes	4	4	2
	Jafta	PT	WCM				
	Gawie	R	WCM				
	Cockcroft	TN	WCM				
	De Waal	A	WCM				
	Krwetshe	MD	WCM				
	Thomson	E	WCM				
	Blaauw	BD	WCM				
	Mckay	C	WCM				
	Tooley	AN	WCM				
2	Hart	LM	WC	Yes	9	9	2
	Phillips	RA	WCM				
	Roberts	PJ	WCM				
	Coetzee	MX	WCM				
	Oelf	JV	WCM				
	Meyer	JJ	WCM				
	Cormack	J	WCM				
3	Lizwani	M	WC	Yes	4	4	4
	Ndinayo	R	WCM				
	Skosana	MS	WCM				
	Miles	L	WCM				
	Kolanisi	SP	WCM				
	Blaai	ZG	WCM				
	Litoyi	M	WCM				
	Metelerkamp	N	WCM				
	Blaai	PM	WCM				
	Batyi	K	WCM				
	Yoyo	NB	WCM				
4	Litoli	WN	WC	Yes	4	4	5
	Booi	VJ	WCM				
	Fokanisi	P	WCM				
	Ngqezu	SS	WCM				
	Snyman	MJ	WCM				
	Manina	SA	WCM				
	Mningiswa	T	WCM				
5	Williams	M	WC	Yes	4	4	4
	Songayi	XJ	WCM				
	Lourens	CH	WCM				
	Jaftha	MP	WCM				
	Moos	JC	WCM				
	Kiewiets	L	WCM				
	Harrison	JA	WCM				
	Mowers	A	WCM				
6	Witbooi	CK	WC	Yes	4	4	9
	Tshazibana	VN	WCM				

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Ward Number	Name of Ward Councillor and elected Ward committee members		Ward Councillor (WC) / Ward Committee Members (WCM)	Committee established (Yes / No)	Number of quarterly Committee meetings held during the year	Number of quarterly reports submitted to Ward Councillor on time	Number of quarterly public ward meetings held during year
	Surname	Initials					
	Lamini	FE	WCM				
	Van Rooyen	K	WCM				
	Alkaster	E	WCM				
	Blouw	AC	WCM				
	Teblanche	SP	WCM				
	Vani	AI	WCM				
	Louw	NG	WCM				
7	Gombo	TME	WC	Yes	4	4	6
	Mbombo	L	WCM				
	Campbell	G	WCM				
	George	LC	WCM				
	Wongama	NM	WCM				
	Sindile	KL	WCM				
	Xungu	FR	WCM				
	Gungubele	NV	WCM				
	Ncapayi	N	WCM				
8	Sopeki	N	WC	Yes	4	4	4
	August	EM	WCM				
	Moos	MR	WCM				
	Mnonopi	PP	WCM				
	Yalezo	N	WCM				
	Wildeman	D	WCM				
	Daniels	RE	WCM				
	Matika	TC	WCM				
	Mfanekiso	Z	WCM				
9	Wasserman	ML	WC	Yes	7	7	5
	Maskew	FJ	WCM				
	Du Toit	K	WCM				
	Charlson	BJ	WCM				
	Alkaster	D	WCM				
	Thorpe	RJ	WCM				
	Stanford	JA	WCM				
	Stuurman	RP	WCM				
	Barnard	H	WCM				
	Gould	C	WCM				
10	Dawson	RA	WC	Yes	4	4	2
	Greyling	MD	WCM				
	Naude	BL	WCM				
	Grinaker	K	WCM				
	Lang	CMF	WCM				
	Hollely	CD	WCM				

Table 169: Appendix E Functionality of Ward Committees

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APPENDIX F – RECOMMENDATIONS OF THE MUNICIPAL AUDIT COMMITTEE YEAR 2013/2014

Surname	Initials	Position	Member Since
Metelkamp	JRN	Chairperson	1 March 2007
Spies	ERJ	Member	1 October 2012
Stoffels	J	Member	1 October 2012
Gungubele	NV	Member	1 October 2012

Table 170: Members of the Audit Committee

Nr	Date of Meeting	Item nr	Item	Comment/s	Resolution	Status as at 30 June 2014
1	29 July 2013 (5/2013)	3.1	Minutes of previous meeting	That the minutes of the previous Audit Committee Meeting 4/2013 held on 4 June 2013 be considered		
2		3.2	Minutes of meeting	That the minutes of the Special Audit Committee Meeting 4/2013 held on 15 August 2013 be considered		
3		5.1	Financial Matters	No report received.	Noted	Completed
4		5.2.1	Internal Audit: Supply Chain Management – June 2013 Report			
5		5.2.2	Internal Audit Report: 30 June 2013			
6		5.3	Performance Matters	No report received.	Noted	Completed
7		5.4	Risk Management Matters	No report received.	Noted	Completed
8		5.5	IT Matters	No report received.	Noted	Completed
1	Ordinary Audit Committee: 22 August 2013 (5/2013)	3	Declaration of members interest	No member declared any interest in the items on the Agenda.	Noted	Completed
2		4.1	Minutes of the: Ordinary Audit Committee Meeting 4/2013 held on 4 June 2013	None	That the Minutes of the Special Audit Committee Meeting 4/2013 held on 4 June 2013 be approved.	Completed
3		4.2	Minutes of the: Special Audit Committee Meeting held on 15 August 2013	None	That the Minutes of the Special Meeting held on 15 August 2013 be approved subject to the following amendments: 1.Replacement of the word " DICUSSION" in the heading of point 4 with the word "DISCUSSION" 2.Replacement of the word "leaded" in the first line of point 4 with the word "lead".	Completed
4		5.1	Matters arising from minutes: Review of Audit Committee Charter and Internal Audit Charter. (Item 4.2 of the Minutes of meeting 4/2013)	None	That the Internal Auditor be requested to update the Audit Committee Charter to provide and include the Municipal Public Accounts Committee and thereafter a report be submitted to the next Ordinary meeting of the Audit Committee.	Completed

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Nr	Date of Meeting	Item nr	Item	Comment/s	Resolution	Status as at 30 June 2014
5		6.1.1	Financial Matters: Finance Report	None	That the report of the Chairperson with regard to the Finance Committee Meeting of the Knysna Municipality held on 7 August 2013, be noted.	Completed
6		6.1.2	Financial Matters: Quarterly Report	None	That the Quarterly Budget Statement for Knysna Municipality referred to in section 52(d) of the Local Government: Municipal Finance Management Act, 2003, for the quarter ended 30 June 2013, be noted.	Completed
7		6.2.1	Internal Audit Matters: Supply Chain Management	None	1. That the Internal Audit: Supply Chain Management – June 2013 report be noted. 2. That the report mentioned in 1 above be referred to the next Governance and Economic Development Committee. 3. That the Chairperson be present at the meeting of the Committee mentioned in 2 above in order to present the view of the Audit Committee on the Internal Audit Supply Chain Management Report dated June 2013.	Completed
8		6.2.2	Internal Audit Matters: Internal Audit Report	None	1. That the Internal Audit Report: June 2013 be noted and that concerns be raised regarding Housing in Section 2.2 Housing, in the Report. 2. That a Meeting with the Municipal Manager, Director: Community Services, Director: Planning and Development and Internal Auditor be arranged to discuss the Housing report in Section 2.2.	Completed
9		6.3	Performance Matters	None	That the Internal Audit-Performance Management: 3rd Quarter Review of 2013 Report be noted.	Completed
10		6.4	Risk Management Matters	None	1. That the Minutes of the Risk Management Committee Meeting 3 of 2012/2013 be noted. 2. That the Audit Committee member Mr. J Stoffels be nominated to represent the Audit Committee on the Risk Management Committee of the Knysna Municipality; 3. That Housing and Supply Chain Management be added as Risks in the Risk Register; 4. That a report identifying the top risks be submitted to the next meeting of the Audit Committee.	Completed
11		6.5	IT Matters	None	1. That the verbal report by the Acting Director: Finance with regard to IT related matters be noted. 2. That the minutes of the IT Steering Committee, in future, be submitted to the Audit Committee.	Completed
12		6.6	Operation Clean Audit (OPCAR)	None	That the Operation Clean Audit Report – OPCAR June 2013 be noted.	Completed
13		7.1	New Matters: Western Cape Audit Committee Forum	None	That the Chairperson's Report on the Western Cape Audit Committee Forum meeting held in Pinelands on 25 July 2013 be noted.	Completed
14		7.2	New Matters: Activity Report	None	That the Chairperson's Knysna Municipality Audit Committee Activity Report for the period 1 January to 30 June 2013 be approved and forwarded to the Municipal Council.	Completed

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Nr	Date of Meeting	Item nr	Item	Comment/s	Resolution	Status as at 30 June 2014
15		7.3	New Matters: Consolidated Comments – MFMA Circular 65 Workshops	None	That the Consolidated Comments of the MFMA Circular 65 Workshops be noted.	Completed
16		7.4	New Matters: Internal Audit Activity Performance Evaluation	None	That the Audit Committee members complete the evaluation questionnaire and then meet at 10:00 on 9 September 2013 to discuss same.	Completed
17		7.5	New Matters: Audit Committee Performance	None	1. That the Audit Committee Performance: Self Evaluation questionnaire of the Office of the Accountant General, be noted. 2. That the questionnaire mentioned in 1 above be referred to the Internal Auditor to update the same by including performance indicators.	Completed
18		8.1	General: IMFO Conference: Durban 29/9/2013 – 2/10/2013.	None	That the Chairperson, Mr. N Metelerkamp, be delegated to attend the Institute of Financial Officers (IMFO) Conference in Durban from 29 September to 2 October 2013.	Completed
19		8.2	General Matters: Treasury Circular No 24/2013	None	1. That the Chairperson, Mr. N Metelerkamp, be nominated to attend the training convention by the Public Sector Audit Committee Forum on the 26 and 27 September 2013 in Cape Town. 2. That the Provincial Treasury be requested to arrange all future training for Audit Committee Members at a District Level.	Completed
20		8.3	General Matters: Draft Performance Report	None	1. That the Annual Performance Report 2012/2013 for the Knysna Municipality, circulated at the meeting, be noted. 2. That comments on the Report as mentioned in 1 above be submitted to the Manager: Performance, Internal Audit and Risk Management, Mr. McCartney, before 12:00 on Wednesday, 28 August 2013.	Completed
21		8.4	General Matters: Fraud Investigation	None	That it be noted that the matter is still under investigation and that a final report is awaiting.	Completed
22		8.5	General Matters: Councillors in arrears	None	That a report regarding Councillors in arrears be submitted to the next ordinary meeting of the Audit Committee.	Completed
23		9	Date of next meeting	None	That a Special Meeting with the Auditor General be scheduled for Monday, 9 September 11:30 in the HR Boardroom.	Completed
1	Special Audit Committee Meeting: 15 August 2013	2	Attendance	Granting of leave to Audit Committee Member	That leave of absence for this meeting be granted to Member Mr. J Stoffels who is attending another meeting	Completed
2		3	Presentation of Audit Plan	The representatives of the Auditor General presented the Audit Plan and emphasized the focus areas for the 2012/2013 Audit	Noted	Completed

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Nr	Date of Meeting	Item nr	Item	Comment/s	Resolution	Status as at 30 June 2014
3		4	Discussion of the Audit Plan	The Chairperson leaded the discussion and agreed that seeing that the Audit Fees are not available, to discuss, amongst others, same.	That a Special Audit Committee Meeting be held on a date when the representatives of the Auditor General are available, to discuss, amongst others, the Audit Fees	Completed
4	Special Audit Committee Meeting: 9 September 2013 (2/2013)	2	Declaration of interest	Member can declare interest in the matters to be discussed	Noted	Completed
5		4	Presentation of Audit Plan and Audit Fees	The representative of the Auditor General presented the document entitled "Audit-Strategy – Knysna Municipality 30 June 2013"	That the Audit Strategy – Knysna Municipality 30 June 2013 attached hereto, including an Audit Fee of R2 625 723.00, be approved	Completed
6		5	Discussion of the Audit Plan and Audit Fees	The Chairperson led the discussion on the Audit Strategy and Audit Fee and all questions were satisfactory answered	Noted/None	Completed
7		6	Minutes of an informal meeting held on 28 August 2013	None	That the minutes of an informal meeting held on 28 August 2013, be accepted	Completed
1	Ordinary Audit Committee Meeting: 17 September 2013 (6/2013)	2	Attendance	None	1. That leave of absence be granted to Member E Bouw-Spies 2. That apologies, due to unforeseen circumstances, be submitted at least 1 (one) hour before the time of the meeting	Completed
2		3	Declaration of interest	No members declares any interest in any municipal matter	Noted	Completed
3		4.1	Minutes of meeting	On a proposal from Member Stoffels and seconded by Member Gungubele it was:	That the minutes of the Audit Committee 5/2013 held on 22 August 2013 be approved	Completed
4		4.2	Minutes of meeting	On a proposal from the Chairman and seconded by Member Gungubele it was:	That the minutes of the Special Meeting of the Audit Committee 2/2013 held on 9 September 2013 be approved	Completed
5		5	Matters arising from minutes: Review of Audit Committee Charter. (Item 5.1 of the Minutes of meeting 5/2013)	The Updated Audit Committee Charter was tabled by the Internal Auditor during the meeting	1. That the Updated Audit Committee Charter be approved subjected thereto that clause 4.48 be included in the same 2. That subjected to 1 above, the Updated Charter be submitted to the Municipal Council for approval	Completed
6		6.1	Internal Audit Reports: Amended Housing Report	None	That the amended and updated Housing Report be submitted to a following meeting	Completed
7		6.2	Supply Chain Management Report	None	That it be noted that External Audit will put limited reliance on the work of Internal Audit on the Supply Chain Management area. Where subsequently appropriate, the External Audit sample will be decreased to include the samples covered by Internal Audit	Completed

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Nr	Date of Meeting	Item nr	Item	Comment/s	Resolution	Status as at 30 June 2014
8		7.1	Financial Reports: Monthly Budget Statement for August 2013	None	That the Monthly Budget Statement for Knysna Municipality for August 2013, be noted	Completed
9		8	Risk Management Reports	No Report received.	Noted	Completed
10		9.1	Information Technology Reports: IT Steering Committee Minutes of the 10 September 2013	None	That the minutes of the IT Steering Committee, in future, be submitted to the Audit Committee	Completed
11		10	Operation Clean Audit Reports	No Report received.	Noted	Completed
12		11	Date of next meeting	None	That a Special meeting be scheduled for Tuesday, 15 October 2013 at 14:00	Completed
1	Joint Audit Committee and Municipal Public Accounts Committee (MPAC) Meeting: 22 November 2013	3	Declaration of interest	Members to declare any interest in items on the agenda	That it be noted that no Councillor declared any interest in the Items on the Agenda	Completed
2		4	Noting of Code of Conduct for Councillors	None	That the Code of Conduct for Councillors be noted	Completed
3		5	Presentation of Draft Audit Report: 2012/2013 Financial Year by Auditor General's representatives	The representative of the Auditor General, Mrs. L Klue-Knipe, presented her report which focused mainly on the Draft Management Report, which was circulated to members of the respective Committees before the meeting	Noted	Completed
4		6	Questions by members of the Audit Committee	Questions posed by the Chairman of the Audit Committee were answered by Mrs. Klue-Knipe	Noted	Completed
5		7	Questions by the member of the Municipal Public Accounts Committee	The questions of members of MPAC and other Councillors were answered by the Mrs. Klue-Knipe	Noted	Completed
6		8	Concluding remarks by the Auditor General Representative	Mrs. Klue-Knipe concluded her presentation by informing the meeting that the final opinion of the Auditor General regarding the Report on the 2012/2013 Financial statements of Knysna Local Municipality will be available on or before 30 November 2013	Noted	Completed

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Nr	Date of Meeting	Item nr	Item	Comment/s	Resolution	Status as at 30 June 2014
7	Ordinary Audit Committee Meeting: 22 November 2013 (7/2013)	3	Declaration of members interest	Members to declare any interest in items on the agenda	Noted	Completed
8		4	Minutes of previous meeting	That the minutes of the Audit Committee Meeting 6/2013 held on 17 September 2013 be considered		
9		6.1.1	Financial Matters: Quarterly Report			
10		6.2	Internal Audit Matters	No Report received	Noted	Completed
11		6.3.1	Performance Matters: Performance Management: Fourth Quarter PMS Review from the Internal Auditors Messrs MeyerOtto Consulting Services (Pty) Ltd dated, 15 November 2013			
12		6.3.1	Performance Matters: Audit Committee Performance Review 2013 Report			
13		6.4	Risk Management Matters	No Report received	Noted	Completed
14		6.5	IT Matters: Minutes of IT Steering Committee			
15		6.6	Operation Clean Audit (OPCAR)			
16		9	Dated of next meetings	24 January 2014 28 March 2014 23 May 2014	Noted	Completed
1	Ordinary Audit Committee Meeting: 24 January 2014 (1/2014)	2	Attendance	None	That leave of absence be granted to Member E Bouw-Spies	Completed
2		3	Declaration of members interest	Members to declare any interest in items on the agenda	Noted	Completed

Appendices

Nr	Date of Meeting	Item nr	Item	Comment/s	Resolution	Status as at 30 June 2014
3		4	Minutes of the previous meeting	On a proposal from Member Stoffels and seconded by Member Gungubele it was:	That the minutes of the Ordinary Audit Committee Meeting 6/2013 held on 17 September 2013 be approved, subject to the following amendments: 1. The resolution under point 5.1 should read as follows: • Resolved: a. That the updated Audit Committee Charter be approved <u>subject</u> to that clause 4.48 be included in the same b. That <u>subject</u> to 1 above, the Updated Charter be submitted to the Municipal Council for approval 2. That point 12 reads as follows: "The Committee resolved to go "into committee" at 14:42 and all officials left the meeting The Committee continued to fill in the applicable evaluation questionnaire."	Completed
4		5.1	Matters arising from the minutes: Review of the Audit Committee Charter. (Item 5.1 of the Minutes of meeting 6/2013)	The matter be referred to the next meeting when the Manager: Performance, Internal Audit and Risk Management, Mr. Walter McCartney, is present.	None	Completed
5		5.2	Matters arising from the minutes: Amended Housing Report (Item 6.1 of Minutes of meeting 6/2013)	The Internal Auditor, Mrs. A Badenhorst, gave verbal feedback on the matter	None	Completed
6		6.1.1	Financial Matters: Quarterly Report	None	That the Quarterly Report on the implementation of the Budget and Financial affairs of the Municipality for September 2013, be noted	Completed
7		6.1.2	Financial Matters: Draft Report of the Audit Committee on the consolidated Annual Financial Statements for 2012/2013 and the response to the report of the Auditor General, dated 6 January 2014	None	That the Draft Report of the Audit Committee be approved with amendments under the Heading "Audit Opinion of the Auditor General."	Completed
8		6.2.1	Internal Audit Matters: Internal Audit Strategic and Operational Plans – 2013/2014	None	That the Internal; Audit Strategic and Operational Plans – 2013/2014, be approved	Completed
9		6.2.2	Internal Audit Matters: Quality Assurance and Improvement Programme (QAIP)	None	1. That the Quality Assurance and Improvement Program (QAIP), be approved 2. That the QAIP be a standing item on the agenda	Completed

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Nr	Date of Meeting	Item nr	Item	Comment/s	Resolution	Status as at 30 June 2014
10		6.3.1	Performance Matters: Performance Management: Fourth Quarter PMS Review from the Internal Auditors Messrs MeyerOtto Consulting Services (Pty) Ltd dated, 15 November 2013	None	1. That the Internal Audit – Performance Management: 4 th Quarter Review of 2013 report dated 15 November 2013, be noted 2. That the Municipal Manager and Directors be urged to ensure that actions plans be implemented to address the weaknesses identified in the report mentioned in 1 above	Completed
11		6.3.2	Performance Matters: Audit Committee Performance Review 2013 Report	None	1. That the Audit Committee Performance Review for 2013 report be noted 2. That the Report be referred back for the Manager: Performance, Internal Audit and Risk Management to present the report at the next meeting	Completed
12		6.3.3	Chairman's Report regarding the Performance of the Municipal Manager and Section 57 Management for the second part of 2013/2014 dated 4 December 2013	None	1. That the Report of the Audit Committee Chairperson of the Knysna Audit Committee on the Performance of the Municipal Manager and Section 56 Managers for 2012/2013, dated 04 December 2013, be noted 2. That the report mentioned in 1 above be referred to the Municipal Council for noting	Completed
13		6.4.1	Risk Management Matters: Risk Management Committee Meeting 2 of 2013/2014	None	1. That the Minutes of the Risk Management Committee Meeting 2 of 2013/2014 held on Wednesday, 20 November 2013, be noted 2. That the Risk Management Committee Charter be submitted to the Audit Committee	Completed
14		6.5.1	IT Matters: Minutes of IT Steering Committee	None	1. That the Minutes of the IT Steering Committee held on 19 November 2014, be noted 2. That the MUNICIPAL Manager be informed that the Technical Services Department does not regularly attend the IT Steering Committee Meetings	Completed
15		6.6	Operation Clean Audit (OPCAR): OPCAR Report for September 2013	None	1. That the OPCAR September 2013 report be noted 2. That the OPCAR December 2013 report be submitted to the Committee at the next meeting	Completed
16		6.7	Audit Committee Activity Report: Report of the Chairman for the period 1 July – 31 December 2013, dated 6 January 2014	None	1. That the Knysna Municipality Audit Committee Activity Report for the period 1 July to 31 December 2013, dated 6 January 2014, be noted 2. That the report mentioned in 1 above, be submitted to the Municipal Council for noting	Completed
17		7.1	New Matters: Minutes of the meeting of the Audit Committee Selection Committee dated 27 November 2013	None	That the Minutes of the Audit Committee Selection Committee which was held on Wednesday, 27 November 2013, be noted	Completed

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Nr	Date of Meeting	Item nr	Item	Comment/s	Resolution	Status as at 30 June 2014
18		8	General	The Chairman congratulated Member Mr. Stoffels for the Clean Audits of the Municipalities where he is the Chairperson or member of the respective Audit Committee's	None	Completed
19		9	Dates of meetings	Ordinary Meetings – 25 February 2014	Noted	Completed
1	Ordinary Audit Committee Meeting: 5 March 2014 (2/2014)	3	Declaration of members interest	No member declared any interest in any municipal matter	Noted	Completed
2		4	Minutes of the previous meeting: Ordinary Audit Committee 1/2014 held on 24 January	On a proposal from Member Gungubele and seconded by Member Stoffels it was:	That the Minutes of the Ordinary Audit Committee Meeting 1/2014 held on 24 January 2014 be approved, subject to the following amendments: 1. That the word "speedily" be replaced with "speedy" in the second paragraph of point 1 Welcome. 2. That point 2 of the Resolution of Item 6.3.1 be amended, to read as follows: "(to be supplied by Internal Auditor)" 3. That the word "of" be replaced with "at" in point 2 of resolution 6.3.2. 4. That the word "part" be replaced with "56 Managers" in point 2 of Resolution 6.3.3.	Completed
3		5.1	Matters arising from the minutes: Review of Audit Committee Charter. (Item 5.1 of the Minutes of meeting 1/2014)	The matter be referred to the next Municipal Council Meeting.	Noted	Completed
4		5.2	Matters arising from the minutes: Audit Committee Performance Review for 2013 (Item 6.3.2 of Minutes of Meeting 1/2014)	Mr. Walter McCartney gave verbal feedback on this matter and it was agreed that Walter McCartney and Andriette Badenhorst will review the relevant questionnaire where after the same will be send to Member Stoffels for his comments.	Noted	Completed
5		5.3	Matters arising from the minutes: Minutes of Audit Committee Meetings	None	That all approved Minutes of the Audit Committee shall be submitted to the Municipal Council.	Completed
6		6.1.1	Financial Matters: Quarterly Report	None	That the verbal report of the Internal Auditors delivered by Ms Andriette Badenhorst, be noted.	Completed
7		6.2	Internal Audit Matters	Ms. Andriette Badenhorst gave a verbal report.	That the verbal report of the Internal Auditors delivered by Ms. Andriette Badenhorst, be noted.	Completed
8		6.3	Performance Matters	Mr. Walter McCartney gave a verbal report.	That the verbal report of Mr. Walter McCartney be noted.	Completed

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Nr	Date of Meeting	Item nr	Item	Comment/s	Resolution	Status as at 30 June 2014
9		6.4.1	Risk Management Matters: Risk Management Committee Charter.	None	1. That the Risk Management Committee Charter be noted. 2. That the Risk Register be submitted to the Audit Committee.	Completed
10		6.5.1	IT Matters: Minutes of the IT Steering Committee	None	That the Minutes of the IT Steering Committee held on 23 January, 2014, be noted.	Completed
11		6.6.1	Operation Clean Audit (OPCAR): OPCAR report as at 19 February 2014.	None	That the OPCAR as at 19 February 2014 be noted.	Completed
12		6.7	Occupational, Health and Safety (OHS) Reports	This item stands over.	Noted	Completed
13		8.1	General: Reports to Audit Committee	The Chairperson requested officials to timeously submit reports to the Administration for inclusion in the Audit Committee Agenda.	Noted	Completed
14		9	Date of next meeting	The next meeting is scheduled for Tuesday, 29 April at 14:00.	Noted	Completed
1	Ordinary Audit Committee Meeting: 3 June 2014 (3/2014)	3	Declaration of members interest	No member declared any interest in any municipal matter	Noted	Completed
2		4	Minutes of the Ordinary Audit Committee Meeting 2/2014 held on 7 March 2014	On a proposal from Member Gungubele and Seconded by the Chairman	That the minutes of the Ordinary Audit Committee Meeting 2/2014 held on 7 March 2014 be approved	Completed
3		5.1	Matters arising from the minutes	Risk Management Committee Charter. (Item 6.4.1 (Resolution 2) of the Minutes of meeting 1/2014)	That the Risk Register be submitted to the next meeting of the Audit Committee	Completed
4		6.1.1	Financial Matters: Quarterly Report	None	That the Quarterly Budget Statement dated March 2014 be noted	Completed
5		6.1.2	Financial Matters: Budget 2014/2015	The Chairman raised general issues regarding the Budget and the Director: Finance Service responded by indicating, amongst others, that the provision for fuel, refuse charges and repairs and maintenance were based on actual expected expenditure and not on historic costs	That the verbal report of the Director: Finance Services, be noted	Completed
6		6.2.1	Internal Audit Matters: Internal Audit Report – April 2014	None	1. That the Internal Audit Report dated April 2014, be noted. 2. That the Internal Audit submitted a follow-up report at the next meeting regarding the critical issues of the Income Section	Completed

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Nr	Date of Meeting	Item nr	Item	Comment/s	Resolution	Status as at 30 June 2014
7		6.2.2	Internal Audit Matters: Review of Audit Committee and Internal Audit Charters for 2014	None	1. That an amended Audit Committee Charter be submitted to the next meeting regarding the consideration. 2. That the Internal Audit Charter 2014 be submitted to the Municipal Council before 30 June 2014	Completed
8		6.3.1	Performance Matters: Performance Management: 1 st and 2 nd Quarter Review of 2014	None	1. That the Internal Audit: Performance Management: 1 st and 2 nd Quarter Review of 2014, be noted. 2. That the Audit Committee's Performance Management Report be submitted to the next meeting.	Completed
9		6.3.2	Performance Matters: Chairman's report on Performance Evaluation – 28 February 2014, be noted	None	That the Chairman's report on Performance Evaluation – 28 February 2014, be noted	Completed
10		6.4.1	Risk Management Matters	No report received	Noted	Completed
11		6.5.1	IT Matters: Minutes of IT Steering Committee Meetings	None	That the Minutes of the IT Steering Committee held on 19 March and 8 May 2014, respectively, be noted.	Completed
12		6.6	Operation Clean Audit (OPCAR)	No reports received	Noted	Completed
13		6.7	Occupational, Health and Safety (OHS) Reports	No reports received	Noted	Completed
14		7.1	New matters: Vacancy: Audit Committee Member	The issue was discussed but no resolution taken	Noted/None	Completed
15		9	Date of the next meeting	The next meeting is scheduled for Tuesday, 17 June at 10:00	Noted	Completed
1	17 June 2014 (4/2014)	3	Declaration of members interest	No member declared any interest in any municipal matter	Noted	Completed
2		4.1	Minutes of the Ordinary Audit Committee Meeting 3/2014	On a proposal from Member Gungubele and second by the Chairman it was	That the minutes of the Ordinary Audit Committee Meeting 3/2014 held on 3 June 2014 be approved	Completed
3		5	Matters arising from the minutes: Budget 2014/2015 (Item 6.1.2 of the minutes of meeting 3/2014)	None	That the CFO provides the Chairman with the relevant documents as requested	Completed
4		6.1.1	Financial Matters: Monthly Budget Statement	None	That the Monthly Budget Statement dated May 2014 be noted and be treated as confidential	Completed
5		6.2.1	Internal Audit Matters: Internal Audit Report – June 2014	None	1. That the Internal Audit Report dated June 2014, be noted 2. That it be noted that the critical issues of the Income Section have been satisfactory resolved by the Service Provider 3. That it be noted that the Income Management Committee is now functional	Completed
6		6.2.2	Internal Audit Matters: Review of Audit Committee and Internal Audit Charters for 2014	None	1. That the amended Audit Committee Charter be approved with the further amendments and be submitted to the Municipal Council for approval 2. That the Internal Audit Charter 2014 be submitted to the Municipal Council for approval	Completed

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Nr	Date of Meeting	Item nr	Item	Comment/s	Resolution	Status as at 30 June 2014
7		6.3.1	Performance Matters: Report of the Audit Committee Chairman on the Top Level SDBIP review held on 30 April 2014 and the Internal Audit Review of Performance Management for the first and second Quarters of 2014 dated 8 May 2014	None	1. That the report of the Chairman be approved with the amendments 2. That the report be submitted to the next Municipal Council Meeting	Completed
8		6.4.1	Risk Management Matters: Risk Register	None	1. That the Risk Register be noted and submitted to the Municipal Council for noting 2. That the National Treasury Circular regarding Information Communication Technology with a report from the Risk Manager, be submitted to the next meeting	Completed
9		6.4.2	Risk Management Matters: Risk Management Committee Minutes 3 of 2013/2014	None	That the Risk Management Committee Meeting Minutes 3 of 2013/2014 be noted	Completed
10		6.5	IT Matters	No reports received	Noted	Completed
11		6.6	Operation Clean Audit (OPCAR): OPCAR Report	None	1. That the OPCAR as at 31 May 2014, be noted 2. That the OPCAR as at 31 May 2014, be resubmitted at the next meeting 3. That it be noted that an Internal Audit Report on HR issues will be submitted to the Committee 4. That the Policy and a status report on leave and overtime be submitted to the Committee	Completed
12		6.7	Occupational, Health and Safety (OHS) Reports	Standing Over	Noted	Completed
13		7.1	New Matters: Vacancy: Audit Committee Member	None	That the vacancy in the Audit Committee be advertised and filled	Completed
14		7.2	New Matters: Financial Misconduct Regulations – 30 May 2014	None	That the CFO be requested to submit a report regarding the recently promulgated Financial Misconduct Regulations to the Committee	Completed
15		9	Date of next meeting	The next meetings are scheduled for Friday, 25 July at 10:00 and Monday, 25 August 2014 at 14:00 respectively	Noted	Completed

Table 171: Appendix F Recommendations of the Municipal Audit Committee Year 2013/2014

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APPENDIX G: REVENUE COLLECTION PERFORMANCE BY VOTE AND BY SOURCE

APPENDIX G(i): REVENUE COLLECTION PERFORMANCE BY VOTE

Revenue Collection Performance by Vote							R' 000
Vote Description	2011/2012	2012/2013	Current: 2013/2014			2013/2014 Variance	
	Actual	Actual	Original Budget	Adjusted Budget	Actual	Original Budget	Adjustments Budget
Executive and Council	37 772	9 293	6 938	7 738	8 845	27 %	14 %
Corporate	2 668	3 614	3 190	3 263	3 172	(1)%	(3)%
Finance	138 068	153 062	166 969	161 105	157 171	(6)%	(2)%
Planning	69 202	62 002	47 733	47 733	61 455	29 %	29 %
Community	35 538	43 585	49 254	49 312	84 310	71 %	71 %
Electricity	172 687	188 138	200 412	198 912	199 460	(0)%	0 %
Technical	82 966	90 848	100 230	100 446	88 363	(12)%	(12)%
Total Revenue by Vote	538 900	550 542	574 725	568 508	602 777	5 %	6 %

Table 172: Appendix H (i) Revenue Collection Performance by Vote

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APPENDIX G(ii): REVENUE COLLECTION PERFORMANCE BY SOURCE

Revenue Collection Performance by Source							
Description	2011/2012	2012/2013	2012/2013			2013/2014 Variance	
	Actual	Actual	Original Budget	Adjustments Budget	Actual	Original Budget	Adjustments Budget
Property rates	148 241	167 298	178 588	172 588	166 008	(6)%	(3)%
Property rates - penalties and collection charges	2 356	2 487	2 608	2 608	3 065	(5)%	(5)%
Income Foregone(Rebates) Rates	(22 877)	(27 327)	(26 014)	(26 014)	(22 042)	5 %	5 %
Service Charges - electricity revenue	163 678	175 822	186 249	184 749	185 118	(6)%	(5)%
Income Foregone(Rebates) Electricity	(2 805)	(3 063)	(3 005)	(3 005)	(3 461)	2 %	2 %
Service Charges - water revenue	47 194	49 373	53 312	53 312	51 777	(7)%	(7)%
Income Foregone(Rebates) Water	(6 367)	(5 878)	(7 520)	(7 520)	(7 733)	(22)%	(22)%
Service Charges - sanitation revenue	10 413	11 203	11 624	11 624	11 981	(4)%	(4)%
Income Foregone(Rebates) Waste Water Management	(871)	(1 105)	(1 009)	(1 009)	(1 191)	10 %	10 %
Service Charges - refuse revenue	14 098	14 595	15 342	15 342	15 213	(5)%	(5)%
Income Foregone(Rebates)Waste Management	(967)	(1 282)	(1 060)	(1 060)	(1 178)	21 %	21 %
Service Charges - other	2 175	1 637	2 263	2 263	2 012	(28)%	(28)%
Rentals of facilities and equipment	3 500	3 545	4 745	4 745	4 138	(25)%	(25)%
Interest earned - external investments	6 667	6 589	8 309	7 809	5 944	(21)%	(16)%
Interest earned - outstanding debtors	4 551	3 237	3 192	3 192	3 617	1 %	1 %
Dividends received	-	-	-	-	-	-	-
Fines	7 677	13 964	11 369	11 369	45 208	23 %	23 %
Licences and permits	3 617	3 483	3 603	3 603	3 804	(3)%	(3)%
Agency services	175	198	161	161	236	23 %	23 %
Transfers recognised - operational	86 673	76 235	76 211	77 681	85 488	0 %	(2)%
Augmentations and Contributions	808	996	866	866	1 148	15 %	15 %
Other revenue	4 253	6 843	2 399	2 399	4 803	185 %	185 %
Gains on disposal of PPE	160	2 388	223	223	393	971 %	971 %
Environmental Protection	-	-	-	-	-	-	-
Reversal Of Provision	32 535	-	-	-	1 498	-	-
Total Revenue (excluding capital transfers and contributions)	472 351	501 239	522 457	515 927	554 347	(4)%	(3)%
Transfers recognised - capital	33 237	48 608	48 551	48 864	42 342	0 %	(1)%
Government Transfers - Contributed Assets	777	695	3 717	3 717	4 589	(81)%	(81)%
Total Revenue	538 900	550 542	574 725	568 508	602 777	(4)%	(3)%

Table 173: Appendix H(ii) Revenue Collection Performance by Source

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APPENDIX H – CAPITAL PROGRAMME BY PROJECT YEAR 2013/2014

Capital Programme by Project: Year 2013/2014					
R' 000					
Capital Project	Original Budget (OB)	Adjustment Budget (AB)	Actual (A)	Variance (A - AB) %	Variance (A - OB) %
				Over / (Under) Spent	
Water	13 603	12 593	12 136	(11%)	(4%)
North and North East Bulk Water Phase III	4 956	4 956	4 712	(5%)	(5%)
Rheenendal New Water Augmentation	2 632	2 632	2 632	(0%)	(0%)
Charlesford Pumping Scheme	2 193	2 193	2 176	(1%)	(1%)
Ancillary Sedgfield Water Treatment Works (Cloud 9 pipeline)	1 467	1 467	1 532	4%	4%
Total of sundry projects	2 355	1 345	1 084	(54%)	(19%)
Sanitation/Sewerage	1 350	2 391	2 071	53%	(13%)
Belvidere Waste Water Treatment Works		521	521	-	(0%)
Extension to Knysna Waste Water Treatment Works		400		-	(100%)
Buffalo Bay - Upgrade ablution facility	250	370	325	30%	(12%)
Provide Integrated Treatment Plant	300	300	299	(0%)	(0%)
Total of sundry projects	800	800	927	16%	16%
Electricity	15 956	21 295	19 025	19%	(11%)
Asset replacements and refurbishments	3 196	8 436	6 188	94%	(27%)
Knysna Xolweni Substation	5 263	5 263	5 918	12%	12%
Prepaid Conversions	1 500	1 500	862	(43%)	(43%)
Brenton-on-Sea Low Voltage Cables	1 500	1 500	1 746	16%	16%
Total of sundry projects	4 497	4 596	4 311	(4%)	(6%)
Refuse removal					
None					
Housing	14 450	14 450	12 814	(11%)	(11%)
Knysna Vision 2002 infrastructure	14 000	14 000	12 515	(11%)	(11%)
Electricity Infill Connections	450	450	299	(34%)	(34%)
Road Services	6 951	6 397	3 422	(51%)	(47%)
N2 Nekkies Traffic Circle	2 400	2 400	129	(95%)	(95%)
Labour intensive side walks	3 701	3 701	3 193	(14%)	(14%)
Sedgfield Taxi Rank		216	56	-	(74%)
Sedgfield dune rehabilitation	200	80	43	(78%)	(46%)
Total of sundry projects	650			(100%)	-
Stormwater	200	200	164	(18%)	(18%)
Rehabilitate central business district (CBD) stormwater system	200	200	164	(18%)	(18%)
Planning					
None					
Economic development					
None					
Libraries; Archives; Museums; Galleries; Community Facilities; Other	10 099	9 986	10 067	(0%)	1%
Extension to Town Library	4 990	5 477	5 315	7%	(3%)
Multi-purpose Centre Rheenendal	1 653	126	2 817	70%	2129%
Multi-purpose Centre Smutsville	2 681	4 208	1 760	(34%)	(58%)
Multi-purpose Centre White Location	775	175	175	(77%)	-
Cemeteries					
None					
Bio-Diversity; Landscape and Other	4 117	4 197	4 387	-	5%
Dune Re-Establishment	4 117	4 117	4 308	-	5%
Refurbish Parks Restroom		80	79	-	(1%)

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Capital Programme by Project: Year 2013/2014					
					R' 000
Capital Project	Original Budget (OB)	Adjustment Budget (AB)	Actual (A)	Variance (A - AB) %	Variance (A - OB) %
Sport and Recreation	780	1 438	1 107	42%	(23%)
Hornlee Upgrade existing sportsfield	250	850	776	210%	(9%)
Damsebos - Upgrade existing sportsfield	250	308		(100%)	(100%)
Program Small Plant	190	190	242	27%	27%
Program Tools and Equipment	90	90	89	(1%)	(1%)
Law Enforcement	1 300	1 659	1 654	27%	(0%)
Vehicles (new and replaced)	1 300	1 659	1 654	27%	(0%)
Fire Services	800	710	688	(14%)	(3%)
Vehicle replacement	800	710	688	(14%)	(3%)
Executive and Council	3 778	5 214	5 681	50%	9%
Refurbish/Upgrade municipal buildings	1 730	1 930	2 369	37%	23%
Ward Projects	2 000	1 836	1 778	(11%)	(3%)
Purchase of property Clyde street		1 400	1 446	-	3%
Program Office Furniture and Equipment	48	48	88	83%	83%
Financial Services	1 569	2 132	1 960	25%	(8%)
Upgrade first floor Finance	1 502	1 630	1 390	(7%)	(15%)
Vehicle replacements		385	316	-	(18%)
Program Office Furniture and Computer Equipment	67	117	254	279%	117%
ICT Services	575	1 579	1 093	90%	(31%)
Program Computer Equipment	570	1 320	1 093	92%	(17%)
Broadband IT Hardware	5	5		(100%)	(100%)
Vehicle Replacement		254		-	(100%)
Other (Administration)	431	691	914	112%	32%
Program Tools and Equipment	230	415	587	155%	41%
Program Office Furniture	201	276	327	63%	18%
Donated Erven Eden District Municipality			81	-	-
	75 959	84 932	77 263	2%	(9%)

Table 174: Appendix I Capital Programme by Project: Year 2013/2014

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APPENDIX I – NATIONAL AND PROVINCIAL OUTCOMES FOR LOCAL GOVERNMENT

Outcome/Output (National Outcome)	Progress to Date		
	Total Performance Indicators	Number Achieved/ Not due in Financial Period ²²	Percentage Not Achieved
A better South Africa, a better Africa and world	2	2	100%
A development-orientated public service and inclusive citizenship	7	4	57%
A responsive and accountable, effective and efficient local government system	19	17	89%
A skilled and capable workforce to support inclusive growth	0	0	-!
An effective, competitive and responsive economic infrastructure network	4	3	75%
Decent employment through inclusive economic growth	2	1	50%
Improve health and life expectancy	1	1	100%
Improve the quality of basic education	0	0	-
Protection and enhancement of environmental assets and natural resources	6	5	83%
Sustainable human settlements and improved quality of household life	13	10	77%
Vibrant, equitable and sustainable rural communities and food security	1	1	100%
Total	55	44	80%

Table 175: Appendix J National and Provincial Outcomes for Local Government

²² Performance indicators are developed over the five year IDP period and consequently eight indicators are due in future years (2014/2015 [1], 2015/2016 [5] and (2016/2017 [2])).

Volume II

VOLUME II: ANNUAL FINANCIAL STATEMENTS

To be completed as part of the Annual Report Process on completion of the Auditor General's Report.